

**FBIS**

# DAILY REPORT

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*China*

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REASONS FOR SOVIET PULLOUT FROM OLYMPICS VIEWED

HK080440 Beijing BEIJING REVIEW in English No 22, 28 May 84 pp 12, 13

[Article by Chen Si: "Olympics Pullout Aimed at Reagan"]

[Text] Moscow's decision to boycott this summer's Olympic Games in Los Angeles came as a surprise to many people. But in fact this latest move is simply a continuation of the chill in U.S.-Soviet relations since the Geneva talks on intermediate-range nuclear missiles broke down last November. U.S. Secretary of State George Shultz describes the Soviet boycott as "part of an overall Soviet plan to put relations with the United States in a sort of deep freeze."

Last February, after the death of former Soviet leader Yuri Andropov, U.S. President Ronald Reagan sent Vice-President George Bush to attend the funeral in Moscow, where Bush and Soviet leaders paid lip service to improving relations between their two countries. These good intentions, however, have come to nothing, with each side finding it impossible for the other to give in under the present circumstances.

According to political observers and news analysts in Washington, Moscow's alleged fear that the United States cannot provide adequate security for Soviet athletes is the secondary reason or a pretext for its withdrawal. Instead, there are two reasons behind its decision.

First, its withdrawal is a way of taking revenge on the United States for initiating the boycott by more than 50 countries of the 1980 Moscow Olympics following the Soviet invasion of Afghanistan. Now Moscow hopes to inflict political and economic losses on the United States.

Second, and what is more important, Moscow is in effect saying to the American public that it is unwilling to deal with an intransigent Reagan, and unless he is replaced, ties with Washington cannot be improved. The pullout can thus be regarded as a blow at Reagan to foil his re-election efforts.

The Soviet decision, besides hurting U.S. and Soviet athletes and tarnishing the Olympic ideal, has also had its effects on the U.S. presidential elections. For instance, Democratic candidate Jesse Jackson met Soviet Ambassador Anatoliy Dobrynin to suggest that he fly to Moscow to persuade the Soviet leaders to reverse their decision. However, it seems that the Kremlin has made up its minds, and Jackson's actions are only an interlude. An editorial in the U.S.-based CHRISTIAN SCIENCE MONITOR noted that Moscow's excessive interference in the U.S. elections will have a contrary effect and actually help Reagan.

U.S. press generally views the Soviet boycott as a prelude to further deterioration of relations between the two superpowers. THE WASHINGTON POST suspects that "the Soviet leadership is preparing for a major propaganda showdown with President Reagan and his administration."

U.S. officials have conceded that the talks on intermediate-range missiles and strategic nuclear arms are unlikely to be resumed before the U.S. election this fall. The recent U.S. proposals for a ban on chemical weapons and a reduction of conventional forces in Europe have also been spurned by the Soviets. The two countries have even failed to agree on cultural exchanges and consulate affairs, let alone hold a summit.

Some people in Washington fear that Moscow will go far beyond walkouts from nuclear negotiation tables and athletic events and that a dangerous situation may follow. Yet, their military expansion and rivalry throughout the world notwithstanding, neither superpower wants a head-on clash now because they have other problems.



Chernenko faces a multitude of difficulties at home and abroad. Recently Moscow dispatched airplanes and tanks to Afghanistan for a major campaign, indicating its poor situation there. The United States is busy preparing for the coming election while faced with growing public demand for peace and detente.

Barring unexpected events, U.S.-Soviet relations will remain stalemated for some time to come. But despite the likelihood of quarrels and frictions breaking out at any time, both sides will keep restrained and continue their dialogues at low levels.

RENMIN RIBAO DENIES PRC PLAYING 'EUROPE CARD'

HK080749 Beijing RENMIN RIBAO in Chinese 7 Jun 84 p 6

["World Affairs" column by Ti Fu: "On 'Playing Cards'"]

[Text] At present, the expression "playing cards" is quite common in the world. Sometimes this country is said to be playing that country's card and sometimes that country is said to be playing this country's card. This simply means that a certain country is drawing support from or making use of another country in dealing with a third one. It is all right if it is used to describe the practice of the superpowers which, in an effort to contend for hegemony, go in for maneuvers amid various political groupings. However, it is bordering on the absurd to regard any country whatever as "playing cards" in its handling of foreign relations.

Just as Premier Zhao Ziyang announced before his departure, his visit to Western Europe is one of seeking friendship, peace, and cooperation. Therefore, he has been universally well received by public opinion in various West European countries. But we have also heard an absurd argument describing Premier Zhao's visit as "China playing the Europe card." This at the very least shows a lack of understanding toward China.

In its international contacts, China has always adhered to principle and has always been open and above-board in handling its relations with various countries. China neither plays any other country's card nor allows other countries to play the China card. An important principle in China's foreign policy is to develop its relations with all countries on the basis of the five principles of peaceful coexistence. In energetically developing friendly cooperation with West European countries, China is moved by the sincere desire to safeguard world peace and to seek joint development and prosperity. This is not an expedient measure, much less diplomatic trickery. A few fair-minded observers in Western Europe pointed out that Premier Zhao's visit shows that "China stands for cooperation and peaceful coexistence with all countries," and "there are no indications that China encourages confrontation in its diplomacy or harms a third country in its activities." Therefore, it is entirely groundless to say that "China is playing the Europe card" and so on.

In the world today, a country is sure to lose everything if it regards international relations as card playing for mutual deceit, in order to mastermind schemes, and play for stakes. This is because no independent country will ever let itself be played by others as a card. Whoever fails to see this point is bound to suffer.

PRC UNESCO NATIONAL COMMISSION ADDRESSES REFORMS

OW071210 Beijing XINHUA in English 1151 GMT 7 Jun 84

[Text] Beijing, June 7 (XINHUA) -- The China UNESCO National Commission today reiterated its principled support to UNESCO headquarters and voiced its approval for its practical and necessary reforms.

The ninth plenary meeting of the National Commission held here, and chaired by Gao Yi, was given a report by its deputy secretary-general, Jia Xueqian. This covered the questions on the U.S. planned withdrawal from UNESCO, a 10-year sum-up of China's participation in UNESCO activities, the work and reforms carried out by the China National Commission and plans for the next two years.

The meeting agreed that UNESCO had played an active role in promoting international exchanges and cooperation in the field of education, science and culture.

However, speakers also expressed the hope that the UNESCO headquarters would continue its reforms, and would encourage other member countries to help improve its operations.

After hearing a report on the 119th meeting of the UNESCO executive board, the participants expressed their approval of the principled stand taken by the Chinese delegates to that meeting.

The meeting affirmed the achievements won by the China National Commission in its recent 10 years of activities, those since 1978 in particular.

Between 1979 and 1983, 1,288 people from China had taken part in 744 UNESCO activities, conducive to enhancing the friendly cooperation among nations and the maintenance of world peace.

The meeting also discussed the China National Commission's future work, such as the setting up of a number of sub-commissions to promote UNESCO activities.

The meeting also studied the establishment of a news exchange committee. The first issue of a quarterly newsletter, CHINA UNESCO, was distributed today, introducing the work done by the National Commission.

Participants also heard about the preparations underway for the building of a UNESCO center, which, when completed, will enable international meetings or seminars to be held in Beijing.

RENMIN RIBAO VIEWS SHULTZ' TALKS IN NICARAGUA

HK071510 Beijing RENMIN RIBAO in Chinese 7 Jun 84 p 6

[Short Commentary: "An Attitude of Treating Others as Unequals"]

[Text] U.S. Secretary of State Shultz is now holding talks in Managua with Nicaraguan leaders to discuss the disputes between the two countries. It really is commendable that senior leaders of the two countries sat down to directly hold talks at a time when the situation in Central America is continuously worsening and particularly when U.S.-Nicaraguan relations are becoming more strained. If, as declared by the U.S. State Department, Shultz' visit to Nicaragua is "to underline our fundamental goal in that country which serves the purpose of the Contadora Group," then the visit can yet be regarded as a positive action.

But a report from the United States says that in the talks, Shultz stressed some problems which the United States was much concerned about, including the size of the Nicaraguan armed forces and its political system. This was a bit too inappropriate. People can clearly see that these problems go beyond the scope of bilateral relations and directly concern the sovereignty and international affairs of Nicaragua, which Nicaragua would obviously not agree to discuss. During the talks, Nicaraguan leader Ortega pointed out: "Any internal problems, or problems related to the sovereignty and power of self-determination of Nicaragua are not to be discussed."

All countries, big or small, must be equal. Only on an equal basis, can all countries iron out differences between each other fairly and reasonably. If someone wants to impose his will on others today, he will get absolutely nowhere.

ZHAO ZIYANG AWARDED CHILDREN'S PEACE PRIZE

OW021228 Beijing XINHUA in English 1135 GMT 2 Jun 84

[Text] San Francisco, June 1 (XINHUA) -- Chinese Premier Zhao Ziyang was given a children's peace award to a world leader for his outstanding contributions to world peace. A ceremony was held this morning in the hall of the municipal government here at a meeting sponsored by the Round Table Foundation of San Francisco. Chinese Consul General in San Francisco Tang Shubei received the prize on behalf of Premier Zhao Ziyang.

Twenty children from Australia, Canada, China, Egypt, Britain, Greece, India, Israel, Italy, Japan, Mexico, New Zealand, Northern Ireland, the United States, the Soviet Union, and Federal Germany won the international children's peace prizes. Sheng Yi from Shanghai, China received the prize on behalf of Chinese children.

The ceremony was chaired by Mr. Pat Montandon, executive director of the Round Table Foundation. Madame Jehan Sadat, widow of the late Egyptian President Anwar as-Sadat, and American Nobel-Prize winner scientist Dr. Linus Pauling presented the prizes. About 1,000 American children attended the ceremony.

The Round Table Foundation has sent children's peace delegations to China, the Soviet Union, Japan, India and 12 other countries in recent years. They appealed to leaders of these countries to maintain world peace. Premier Zhao met with a San Francisco children's peace delegation last year in Beijing.

WAN LI MEETS VISITING MICHIGAN GOVERNMENT GROUP

OW071750 Beijing XINHUA in English 1551 GMT 7 Jun 84

[Text] Beijing, June 7 (XINHUA) -- Wan Li, acting premier of the State Council, met here this evening with a governmental delegation from the U.S. State of Michigan, led by Governor James J. Blanchard. Michigan established friendship ties with China's Sichuan Province in November 1982. Wan said that Michigan's friendship ties with Sichuan, which has 100 million people, were functioning in promoting Sino-U.S. friendship. Blanchard said that his state was willing to cooperate with Sichuan in technological and other fields.

Wan also praised Leonard Woodcock, member of the delegation and former U.S. ambassador to China, for his contributions to establishing Sino-U.S. diplomatic relations. Woodcock said that he was working to enhance the friendship between the Chinese and American peoples. Woodcock is now chairman of the Governor's Commission on China. Present at the meeting was Liu Gengyin, vice president of the Chinese People's Association for Friendship With Foreign Countries. The delegation, invited by the Sichuan Provincial People's Government, arrived here yesterday. The visitors will leave for a trip to Sichuan.

PRC, U.S. AGREE TO DEVELOP BILATERAL TOURISM

OW070149 Beijing XINHUA in English 0119 GMT 7 Jun 84

[Text] New York, June 6 (XINHUA) -- The Sino-U.S. Bilateral Tourism Committee today agreed to undertake a variety of measures to develop tourism between the two countries. This was announced jointly by Han Kehua, general director of the Chinese National Tourism Administration and Donna F. Tuttle, U.S. under secretary of commerce for travel and tourism, following a meeting of the committee at the U.S. Department of Commerce.

Han and Tuttle said that both sides will encourage joint venture hotels in China, explore the possibilities for training Chinese tourism professionals and consider ways of simplifying visa application procedures. According to the agreement, China has waived the deposits for off-season tours to China and agreed to change the date of payment of the deposits during the shoulder season from 90 to 60 days prior to the scheduled arrival in China.

Both tourism administrations pledged to strengthen cooperation on tourism statistics, exchange tourism figures and establish a task force on statistics under the bilateral tourism committee. The two sides also decided that the second session of the bilateral tourism committee be held in Beijing.



MALAYSIAN FOREIGN MINISTER CONTINUES VISIT

## Departs Beijing for Local Stops

OW011321 Beijing XINHUA in English 1227 GMT 1 Jun 84

[Text] Beijing, June 1 (XINHUA) -- Malaysian Foreign Minister Tan Sri Ghazali Shafie and his party left here by air this afternoon to visit Xian, Xiamen and Shanghai. Among those seeing them off at the airport was Gong Dafei, Chinese vice-minister of foreign affairs. Datuk J.A. Kamil, Malaysian ambassador to China, gave a reception at the embassy here yesterday afternoon to celebrate the 10th anniversary of the establishment of diplomatic relations between Malaysia and China. Wu Xueqian, Chinese state councillor and foreign minister, and Ghazali attended the reception. Ghazali and his party are scheduled to leave for home after a visit to other parts of China.

## Arrives in Shanghai

OW061038 Shanghai City Service in Mandarin 2300 GMT 4 Jun 84

[Text] According to the Shanghai branch of the XINHUA NEWS AGENCY, Malaysian Minister of Foreign Affairs Ghazali and his party arrived in Shanghai by plane yesterday afternoon after visiting Beijing, Xian, and Xiamen. The Shanghai Municipal People's Government gave a banquet yesterday evening in honor of the guests from our neighbor in Asia. Vice Mayor Ruan Chongwu and Foreign Minister Ghazali made speeches at the banquet.

CHEN MUHUA AT SIGNING CEREMONY WITH MALAYSIAN FIRM

OW301841 Beijing XINHUA in English 1549 GMT 30 May 84

[Text] Beijing, May 30 (XINHUA) -- Chinese and Malaysian companies signed a letter of intent on building an international trade center in Beijing here today. The letter was signed by Lei Renming of the China Trade Consultants and Technical Service Corporation and Kuok Hock Nien of China and Kuok Brothers Sdn. Bhd. of Malaysia. The joint venture will provide foreign economic and trade organizations, businesses and individuals with offices, residences, conference rooms and exhibition halls. It will also supply economic and foreign trade information, consultancy and other services. The high-rise complex is scheduled for completion in 1987. Also present at the signing ceremony were Chen Muhua, state councillor and minister of foreign economic relations and trade, and Beijing Mayor Chen Xitong.

THAI NAVAL COMMANDER HOSTS BANQUET FOR LIU HUAQING

OW071836 Beijing XINHUA in English 1750 GMT 7 Jun 84

[Text] Beijing, June 7 (XINHUA) -- Admiral Praphat Chanthawirat, commander-in-chief of Royal Thai Navy, and Mrs Praphat gave a return banquet at the Thai Embassy here this evening.



Among those attending it were Liu Huaqing, Navy commander of the Chinese People's Liberation Army, and his wife, as well as leading members of departments concerned.

Praphat said in his toast that his current visit has helped consolidate the friendly relations between Thailand and China and their navies.

Liu Huaqing said Admiral Praphat and his party's two-day visit in Beijing and the meetings and talks between the two sides are very conducive to the promotion and development of mutual understanding and friendship between the two countries. Liu expressed his conviction that with the joint efforts of the two sides, the friendly relations between the two countries, the two peoples and their navies would continue to grow.

Thai Ambassador to China and Mrs Tanaphong were present at the banquet. Praphat and his party will leave here tomorrow to visit other parts of China.

#### THAI VOLLEYBALL TEAM IN GUANGDONG FOR TRAINING

OW072134 Beijing XINHUA in English 1748 GMT 7 Jun 84

[Excerpts] Guangzhou, June 7 (XINHUA) -- The visiting Thai men's and women's volleyball teams lost 0:3 to China's Taishan men's team and 2:3 to the Taishan women's side respectively yesterday evening in Taishan County of south China's Guangdong Province.

Led by Kit Phrukcham-um, the Thai volleyballers arrived in the volleyball-favored Taishan County on May 13 for a month-long training course. The visiting teams will leave Taishan for Guangzhou next Monday.

#### HONG KONG, MACAO FIRMS ESTABLISH JOINT VENTURES

OW250855 Beijing XINHUA in English 0819 GMT 25 May 84

[Text] Beijing, May 25 (XINHUA) -- Hong Kong and Macao firms established 132 joint ventures in China by the end of last year, investing a total of 100 million U.S. dollars, the ECONOMIC DAILY reports today.

China set up 188 joint ventures with foreign, Hong Kong and Macao companies between 1979 and 1983. "Hong Kong and Macao firms signed contracts with enterprises on China's mainland for the establishment of 78 joint ventures in 1983, against 23 in 1982," the paper says.

The 132 ventures, three of which involved an investment of more than five million U.S. dollars, are concentrated in Guangdong, Fujian and Beijing, it adds.

Hong Kong and Macao companies set up five joint ventures in 1979, when China adopted its policy of opening to the outside world. By the end of last year, the paper says, Hong Kong and Macao businesses and individuals had invested a total of 4.5 billion U.S. dollars on China's mainland in joint ventures, cooperative operations, enterprises set up with their exclusive funds, compensation trade, and processing and assembling deals. The investment projects, located in 25 provinces, municipalities and autonomous regions, cover machine-building, light industry, construction, tourism, electronics, textiles, transport, agriculture, animal husbandry, fisheries, commerce and real estate.

JIANGSU GOVERNOR RETURNS FROM AUSTRALIA VISIT

OW072122 Beijing XINHUA in English 1832 GMT 7 Jun 84

[Text] Canberra, June 7 (XINHUA) -- Governor of China's Jiangsu Province Gu Xiulian left Melbourne for home today after talks with her counterpart in Victoria State on cooperation between the sister-related province and state.

At a farewell dinner party in Melbourne yesterday, Governor Gu said that through what she had seen during her 10-day visit she was convinced that broad prospects existed for further cooperation and more exchanges in various fields between Jiangsu and Victoria. Premier of the Victorian State Government John Cain said at the dinner his government would make more effort to develop its relations with Jiangsu.

Gu and Cain Tuesday discussed cooperation in the fields of agriculture, industry, science and technology as well as development of the relationship between Jiangsu and Victoria. Jointly with Premier Cain, Governor Gu opened a seminar arranged by the Victorian government China advisory committee and discussed with the participants the question of furthering trade between Australia and China.

Governor Gu presented a small panda to the Royal Melbourne Zoological Gardens as a gift from the Jiangsu people to the Victorian people.

Gu, head of the Jiangsu Province good-will delegation, also met Australian Prime Minister Bob Hawke and other Australian ministers in Canberra.

COLD STORAGE WAREHOUSE PLANNED WITH AUSTRALIA

OW261207 Beijing XINHUA in English 1119 GMT 26 May 84

[Text] Shenzhen, May 26 (XINHUA) -- The newly-established China-Australia Cold Store and Warehouse Company Limited in Shenzhen, Guangdong Province, is building cold-storage facilities for fresh fruit, vegetables, meat and other goods for export. The first phase of building the 2,000-ton cold-storage facilities in the Wenjindu District is scheduled to be completed by the end of November; the second phase will add cold-storage facilities with a combined capacity of 3,000 tons and the third phase a warehouse of 2,000 square meters.

The China-Australia Cold Store and Warehouse Company is a joint venture by the Shenzhen Liancheng (Wenjindu) Joint Development Limited and Mayne Nickless Limited of Australia. According to the agreement, each company will finance 50 percent of the investment of 3.7 million Australian dollars (about 3.5 million U.S. dollars) for the first-phase construction. The cold-storage facilities will be built with advanced technology provided by the Australian side.

Apart from offering storage facilities, the company will be equipped with container refrigeration vans for land transport and provide technical and managerial consultancy.

INDIRA GANDHI URGES BETTER SINO-INDIAN TIES

OW062042 Beijing XINHUA in English 1453 GMT 6 Jun 84

[Text] New Delhi, June 6 (XINHUA) -- Prime Minister Indira Gandhi expressed the hope today that relations between India and China will be improved through joint efforts. Outgoing Chinese Ambassador Shen Jian paid a farewell call to the prime minister today. Gandhi told the Chinese ambassador, "We are happy at the improved relation between India and China over the past few years, but I think, more things could have been done. Let us make joint efforts to improve our relation, for a good Sino-Indian relation is not only important for us, but also for the continent, for the whole Asia," she said.

The Indian prime minister asked Shen Jian to convey her warm greetings and best regards to Chinese leaders. Shen Jian will leave his post for home next month on completion of his tenure.

INDIA'S PRIME MINISTER VISITS CHINESE EXHIBITION

OW241905 Beijing XINHUA in English 1847 GMT 24 May 84

[Text] New Delhi, May 24 (XINHUA) -- Indian Prime Minister Mrs. Indira Gandhi visited the exhibition of Chinese arts and crafts this afternoon. She examined the about 200 exhibits on display with great interest, saying that this is an excellent exhibition. Chinese Ambassador to India Shen Jian accompanied the prime minister during the tour. The Chinese exhibition, which opened on May 11, closed this afternoon after two weeks display.

YE FEI, ZHU MUZH! ATTEND INDIAN DANCE DEBUT

OW221950 Beijing XINHUA in English 1855 GMT 22 May 84

[Text] Beijing, May 22 (XINHUA) -- Indian Kalakshetra dance troupe made its China debut here tonight at the People's Theater. The 35-member troupe, founded in 1936 by Rukmini Devi, the celebrated Indian dancer, to study and teach dharage magyam and kathakali dances, has come from Kalakshetra in India. Dharage magyam, as a dance form, is known for its graceful, exquisite, complicated and refined hand and facial movements. It is usually performed to accompaniment of music and poem. The program of kathakali is usually performed by male dancers who wear painted masks according to different role. The program for tonight included a dance drama and some folk dances.

During the intermission, Ye Fei, vice-chairman of the Standing Committee of the National People's Congress, and Zhu Muzhi, minister of culture, met Rukmini Devi, head of the dance troupe. The Indian dance troupe will leave here on May 27 for Chengdu, Kunming and Guangzhou.

REPORT ON VISIT TO AFGHAN 'RESISTANCE' HOSPITAL

NC060910 Beijing in Persian to Iran 1800 GMT 5 June 84

[Report by unidentified Radio Beijing correspondent in Pakistan on a tour of a hospital east of Peshawar -- date not given]

[Text] This hospital, which primarily treats wounded and ill Afghan freedom fighters, was established through donations by a nongovernment Pakistani organization in October 1980. (Mohammad Ferdows Khan), the veteran director of the hospital, is one of the organization's leaders.

He said: We welcome all assistance from those people who sympathize with and support the Afghan people's struggles. Major contributors are our Muslim Arab brothers. All the doctors and other employees who work at this hospital are supporters of the Afghan people's struggle against aggression.

(Eftekhar Hoseyn), head of the Medical Affairs Department, and a zealous surgeon, directed the correspondent's tour and spoke at length about the hospital's situation. He said: Our wounded are not ordinary sick people. All of them have been wounded in fights against foreign aggressors. Treating them is our holy mission.

This hospital not only carefully treats and hospitalizes the wounded of the Afghan resistance movement, but also shows films to them (?during the duration of their hospitalization) about the struggles for freedom by peoples in other parts of the world. Also some books are provided to those patients who can read. We saw books in Pushtu, Farsi, and English in a room not quite 20 square meters. The hospital also employs a Pushtu- and Farsi-speaking secretary who records the adventures of the patients being treated. His book is now ready for publication. These stories speak about the praiseworthy acts of heroes and are the true stories of the Afghan people in their resistance struggle against the Soviet aggressors.

While touring the hospital, the correspondent met a 21-year-old man named (Sa'id Allah). He was laboriously doing his walking exercises with the help of two crutches. Dr (Eftekhar) said: This patient was sent here from [name indistinct] region in Paktia Province with bullet wounds in both thighs. Even though operated on only a week ago, he nevertheless has started his walking exercises. The correspondent asked the patient: Why are you in such a hurry to walk? The patient laughed shyly and said: For Afghanistan's freedom.

During the correspondent's tour the hospital was being enlarged, and soon the number of beds will total 100. Thus far the hospital has treated approximately 1,200 wounded people most of whom returned to Afghanistan and are fighting on the various fronts of the resistance war against the aggressors.

#### SRI LANKAN PRESIDENT RETURNS HOME FROM VISIT

OW011257 Beijing XINHUA in English 1117 GMT 1 Jun 84

[Text] Colombo, June 1 (XINHUA) -- President J.R. Jayewardene of Sri Lanka and his party returned here late last night after his visit to China and other countries. In China he had talks with Chinese leaders for the promotion of China-Sri Lanka relations and better cooperation among the Third World countries. Two agreements were signed then with China, one on a joint committee for economic and trade cooperation and the other on scientific and technological cooperation. The president and his party were warmly welcomed at the airport by Prime Minister R. Premadasa and several Cabinet ministers of Sri Lanka. Diplomatic envoys here were also present at the airport.

#### LI ACCEPTS BANGLADESH AMBASSADOR'S CREDENTIALS

OW220831 Beijing XINHUA in English 0632 GMT 22 May 84

[Text] Beijing, May 22 (XINHUA) -- Chinese President Li Xiannian this morning accepted the credentials presented by Khwaja Mohammed Kaiser, new ambassador of Bangladesh to China. Gong Dafei, Chinese vice-minister of foreign affairs, was present on the occasion.



XHAO ZIYANG ACTIVITIES IN SWEDEN REPORTED

## USSR Ties Addressed

OW071147 Beijing XINHUA in English 1138 GMT 7 Jun 84

[Text] Stockholm, June 7 (XINHUA) -- Chinese Premier Zhao Ziyang reaffirmed today that normalization of Sino-Soviet relations depends on the removal by the Soviet Union of the threat it has posed to the security of China.

Speaking at a press conference here this morning, the Chinese premier made it clear that China has all along worked for the normalization of Sino-Soviet relations and has held four rounds of consultations with the Soviet Union toward this end. He said that no substantive progress has been made on the removal of the three main obstacles, which is essential to normalization. Nevertheless, he added, the dialogue will continue. The premier said that there has been some increase in the economic, trade and sports exchanges between the two countries recently, and a further increase is also expected.

But, he stressed this does not mean that Sino-Soviet relations have been normalized. In order to achieve normalization, the Soviet Union must take practical actions to remove the threat posed to the security of China. In response to a question about the Sino-Soviet border dispute, Premier Zhao said, the status quo of the Sino-Soviet border is the result of the unequal treaties signed between old China and Russia, but China still abides by the provisions of these treaties, and does not call for big changes in the status quo. Moreover, there are many disputed areas along the Sino-Soviet border and the issue needs to be solved through negotiations. Premier Zhao declared that China's attitude towards the border issue between the two countries is magnanimous and reasonable.

## Hong Kong, Taiwan Issues

OW071218 Beijing XINHUA in English 1209 GMT 7 Jun 84

[Text] Stockholm, June 7 (XINHUA) -- Chinese Premier Zhao Ziyang said here today that the present system of ownership in Hong Kong will not be changed after China recovers its sovereignty over the territory in 1997.

In response to a question at a press conference here this morning, Premier Zhao said that the Chinese Government has adopted a series of policies on the recovery of China's sovereignty over Hong Kong, and a basic law for Hong Kong will be enacted. "All this boils down to one point, that is, the present system of ownership in Hong Kong will not be changed after 1997," the premier stressed.

Asked whether the recovery of Hong Kong will give rise to the spread of ideological and cultural contamination, Premier Zhao said that the contamination is already there in Hong Kong, and he did not believe that the system of Hong Kong would be extended to China's mainland.



Asked if China has abandoned the use of force in settling the Taiwan issue, Premier Zhao said that the Chinese Government will do its best to solve the Taiwan issue by peaceful means, because this is in keeping with the desire of the Chinese people on both sides of the Taiwan Straits. "However, China will never commit itself to the non-use of force to settle the problems, because such a commitment may possibly lead to the use of force in the end," he stressed.

#### Nuclear Arms Race Decried

OW071041 Beijing XINHUA in English 1027 GMT 7 Jun 84

[Text] Stockholm, June 7 (XINHUA) -- Chinese Premier Zhao Ziyang said today that the principal threat to world peace at present is the rivalry between the two superpowers, especially their escalating nuclear arms race. Speaking at a press conference here this morning, Premier Zhao said that their escalating arms race after the suspension of Geneva talks on medium-range nuclear missiles has made the world situation even more dangerous.

#### Sino-Swedish Cooperation

OW071224 Beijing XINHUA in English 1213 GMT 7 Jun 84

[Text] Stockholm, June 7 (XINHUA) -- Economic and technological cooperation between China and Sweden has grown on a sound basis and joint efforts are needed to open up new areas of cooperation in various forms, Premier Zhao said here this morning. Speaking at a press conference here, he stated that China is ready to expand its cooperation with Sweden under the principle of meeting each other's needs and this cooperation has broad prospects and potentialities.

China is interested in Sweden's advanced industries such as mining, forestry, farming and transport, Zhao told the press conference. When asked to comment on the intrusion of foreign submarines which has posed a threat to Sweden, the Chinese leader said every sovereign state has the right to defend the security of its territory, including its territorial waters. This is a question of principle, he stressed. Asked about his meetings with Swedish political leaders this morning, the premier said that the Swedish party leaders showed interest in the Taiwan problem, Sino-Soviet relations and religious affairs in China. Though political parties in Sweden vary in views on domestic and some of foreign issues, which were not included in today's discussions, they all shared the desire to develop the friendly relations and cooperation between Sweden and China, Premier Zhao said.

#### Swedish Royal Luncheon

OW071324 Beijing XINHUA in English 1308 GMT 7 Jun 84

[Text] Stockholm, June 7 (XINHUA) -- Chinese Premier Zhao Ziyang was invited to a luncheon given by Swedish King Carl XVI Gustaf and Queen Silvia at the royal palace here today. Zhao is now on a two-day official visit to Sweden, the first by a top Chinese Government leader to this Nordic country.

The royal luncheon is the highest honor for the Chinese leader since he arrived here yesterday. This is the second time the Swedish monarch met with the Chinese premier, the first being in September 1981 when he visited China with the queen.

Guests at the luncheon were members of Zhao's entourage including State Councillor Zhang Jingfu, Deputy Secretary General of the State Council Chen Chu as well as Chinese Ambassador to Sweden Wang Ze. Swedish Prime Minister Olof Palme, Minister of Foreign Affairs Lennart Bodstorm, Minister of Foreign Trade Mats Hellstroem and Minister of Industry Thage Peterson were also present.

#### Meeting With Industry Minister

OWO71354 Beijing XINHUA in English 1311 GMT 7 Jun 84

[Text] Stockholm, June 7 (XINHUA) -- Chinese State Councillor Zhang Jingfu met here this morning with Swedish Minister of Industry Thage Peterson and representatives of seven major Swedish corporations that have trade relations with China.

Zhang, who is accompanying Premier Zhao Ziyang on his European tour, told them China is interested in importing advanced technology from Sweden, and expressed the hope that Swedish corporations would be more competitive and active in bidding for projects in China. Peterson, briefing his Chinese guests on the development of Sino-Swedish economic and technological cooperation, said that the economic and trade relations between the two countries have developed smoothly in recent years and their cooperation in science and technology also progressed briskly. On behalf of the Swedish Government Peterson expressed the hope that the exchanges between the two countries will grow into a long-term and stable cooperative relations, and the two countries can cooperate on larger-scale projects.

The meeting lasted about one hour. Also present was Jia Shi, Chinese vice-minister of foreign economic relations and trade.

#### Speech to Businessmen

OWO71910 Beijing XINHUA in English 1849 GMT 7 Jun 84

[Text] Stockholm, June 7 (XINHUA) -- Visiting Chinese Premier Zhao Ziyang said here today that long-term and steady economic and technological cooperation between China and Sweden will benefit each other and bring about mutual prosperity.

He made the statement in a meeting with some 200 industrialists and businessmen representing the Swedish business community. He noted that recent years had witnessed considerable progress in trade and economic and technological cooperation between the two countries thanks to their common efforts. He expressed his hope that the business community in Sweden will "enhance its competitiveness and open up new areas of cooperation in more forms." He also called on them to create favorable conditions for Chinese goods to enter the Swedish market.

Discussing China's economic policy, Premier Zhao underlined two basic guidelines for the country's economic development: taking flexible measures to enliven the economy and opening to the outside world. "The grand goal of modernization of China and the trend of the development of the world economy have determined that our policy of opening to the outside world is a basic national policy rather than an expedient measure," the premier said

Swedish Minister of Industry Thage Peterson presided over the meeting and said in his opening remarks that there has been very good economic cooperation between Sweden and China. He assured the Chinese leader that the Swedish Government wants very much to have long-term and steady cooperation with China. The meeting then heard remarks by several representatives of leading Swedish companies, including chairman of the Sweden-China Trade Council, Tom Wachtmeister. They expressed the common desire for increased contacts with Chinese economic organizations and for closer economic cooperation. They also raised a number of questions concerning various aspects of China's economic policy and foreign trade.

Taking up the question, Chinese State Councillor and Minister in charge of the State Economic Commission Zhang Jingfu said that China would let those foreign firms which are active and actually offer favorable conditions in technology transfer to China share the vast Chinese market. He welcomed firms from Sweden and other countries to provide advanced technology and more funds to China where large numbers of existing industrial enterprises need to be updated technologically.

#### 7 Jun Banquet

OW080018 Beijing XINHUA in English 2213 GMT 7 Jun 84

[Text] Stockholm, June 7 (XINHUA) -- Swedish Prime Minister Olof Palme and his Chinese counterpart Zhao Ziyang stressed this evening the desire of both governments for greater bilateral cooperation for mutual benefit and in the interests of world peace.

Addressing a banquet he hosted in honor of the Chinese premier, now on a visit to this country, Palme described Zhao's visit, the first by a top government leader to Sweden, as "a confirmation of the good and cordial relations which have always prevailed between our two countries." He declared that his country, which has learnt much from China in the past, will increase its cooperation with China in the years to come with its highly developed technology and high quality of products. He added it is his hope that the good relations between China and Sweden will be reflected in the future in even more intensive commercial and technical cooperation.

Premier Zhao in his reply expressed appreciation of Sweden's economic successes and noted with satisfaction that the past 30 years or more have witnessed an all-round development of the amicable cooperation between the two countries in the political, economic, scientific-technological, cultural and other fields. Zhao also said for the well-begun Sino-Swedish economic and technical cooperation, "There are still great potentials and the prospects are good."

The two government leaders referred to the identical or similar views held by their countries on many international issues and underlined in particular their common concern about peace and security in the world.

Palme said this country supports the international efforts to bring about a world order in which conflicts are settled with the aid of rules of international law and in which the resources of the world are used in a better way. "In this work devoted to the preservation of peace, our two countries have the same point of departure and the same goals," he noted.

Premier Zhao reiterated China's independent and peaceful foreign policy, saying, "we make our own judgment on international affairs and decide on our policies guided by the fundamental interests of the Chinese people and the people throughout the world." "We fully understand and highly appraise the neutral and non-aligned policy the Swedish Government has formulated and pursued in light of its specific conditions, and support your endeavor for stronger defence capabilities to safeguard the state sovereignty and security of your country and appreciate what you have done to ease international tension," Zhao said.

The Chinese premier criticised the spiral escalation of nuclear arms race between the two superpowers for nuclear supremacy in Europe, which poses a serious threat to peace not only in Europe but also in Asia and the world as a whole. He called on the people of all countries to join in the demand that the two superpowers stop their nuclear arms race immediately and negotiate seriously a practical agreement on drastic reduction of nuclear weapons.

Other Chinese guests attending the banquet, which was held at the prince royal's palace, the seat of the Foreign Affairs Ministry, included State Councillor Zhang Jingfu, Deputy Secretary-General of the State Council Chen Chu, Vice Foreign Minister Qian Qichen, Vice Minister of Foreign Economic Relations and Trade Jia Shi, Vice Minister of Public Security Tao Siju and Chinese Ambassador here Wang Ze. Also present were Swedish Foreign Minister Lennart Bodstrom, Industry Minister Thage Peterson, and Defence Minister Anders Thunborg as well as celebrities from the country's political, industry, business, cultural and press circles.

#### 8 Jun Departure

OW080728 Beijing XINHUA in English 0715 GMT 8 Jun 84

[Text] Stockholm, June 8 (XINHUA)-- Chinese Premier Zhao Ziyang and his party left here for Copenhagen this morning at the end of a two-day official visit to this Nordic country.

Swedish Prime Minister Olof Palme was at Stockholm's Arlanda Airport to bid the Chinese guests farewell and wish their West European tour a success. Palme described Zhao's visit, the first by a Chinese premier to Sweden, as an "important event." Zhao said his talks with Palme were "very fruitful" and showed a broad consensus on the issues they discussed. During the visit, the Chinese premier met the Swedish king and had extensive contacts with leaders of the country's industrial business circles. The visit has enhanced the friendly and cooperative relations between the two countries and placed their economic and technological cooperation on a lasting and stable basis.



ZHAO ZIYANG, DELEGATION ARRIVE IN DENMARK 8 JUN

OW080914 Beijing XINHUA in English 0850 GMT 8 Jun 84

[Text] Copenhagen, June 8 (XINHUA) -- Chinese Premier Zhao Ziyang arrived here this morning, beginning his two-day official visit to the Kingdom of Denmark at the invitation of Danish Prime Minister Poul Schluter.

Zhao, the first Chinese premier to pay an official visit to Denmark, expressed in his written statement at the airport the hope that his visit would "further promote Sino-Danish friendly relations and cooperation" as well as "help preserve world peace." Danish Prime Minister Poul Schluter warmly greeted the Chinese premier at the airport. He stepped forward and shook hands with Premier Zhao as the latter alighted from the plane.

The Chinese premier is accompanied by a 14-member party including State Councillor and Minister of State Economic Commission Zhang Jingfu and Deputy Secretary-General of the State Council Chen Chu. He was also greeted at the airport by Chinese Ambassador to Denmark Ding Xuesong and received bouquets of flowers presented by the representatives from the Chinese Embassy, Chinese students and Overseas Chinese.

Prime Minister Poul Schluter escorted Zhao to the limousine which took them to the Scandinavia Hotel in downtown Copenhagen. During his visit, the Chinese premier will have talks with Danish Prime Minister Poul Schluter on international issues of common concern and on ways to develop bilateral relations. He will also meet Danish friends from various circles and visit a small farm run by a Danish family outside Copenhagen and some other scenic spots and historical sites.

RENMIN RIBAO REFLECTS ON ZHAO BRUSSELS VISIT

HK071202 Beijing RENMIN RIBAO in Chinese 6 Jun 84 p 6

["Newsletter From Belgium" by RENMIN RIBAO reporters Jiang Jianguo and Lin Jun: "China and Western Europe Should Maintain Still Warmer Relations"]

[Text] Premier Zhao Ziyang's visit to Belgium and the EEC proceeded in a friendly, cooperative, and warm atmosphere.

The development of Sino-Belgian friendly cooperation has always been gratifying. As early as September 1961, the late Queen Dowager Elisabeth, grandmother of His Majesty King Baudouin I, led a delegation to China. In May 1981, His Majesty King Baudouin and Her Majesty the Queen traveled thousands of miles and paid a formal visit to China, which made a very good impression on the people of the two countries. During his visit to Belgium, Premier Zhao stayed in the state guesthouse, where Queen Dowager Elisabeth lived. On the second day of Premier Zhao's visit, King Baudouin met the Chinese guests. The king and the queen gave a banquet for Premier Zhao and his party.

Talks between Premier Zhao and Prime Minister Martens and other Belgian leaders proceeded in a warm and friendly atmosphere. Both sides expressed satisfaction at the smooth development of relations between the two countries since the establishment of diplomatic relations 13 years ago.



Chinese and Belgian leaders always pay attention to the situation in the Asian-Pacific region. They maintain that strengthening cooperation between China and Belgium and other European countries will have an important bearing on economic development in the Asian-Pacific region and on peace and stability in the world.

As far as cooperation between China and Europe is concerned, Belgium has gone ahead of other European countries. Belgium was the first West European country to provide interest-free loans to China. Over the last 13 years, trade volume between the two countries has increased elevenfold. In recent years in particular, trade between the two countries had developed even more rapidly. The volume of trade between the two countries increased from \$36 million in 1980 to \$200 million in 1983. In addition, cooperation between the two countries has expanded from trade to economic and technological cooperation, which has won the appreciation of both sides.

Belgian enterprisers and personages in economic circles were much interested in Premier Zhao's visit. On the afternoon and evening of 4 June, Belgian economic and enterprise associations held separate receptions for Premier Zhao, expressing great interest in and a strong desire for developing economic relations with China. Premier Zhao explained China's open-door policy and stressed that China's door is always open to Europe, and to Belgium in particular. Hearing this, the participants burst into applause. At a banquet held in the evening, Eyskens, minister of economic affairs, said that Belgian enterprises should not only carry out economic cooperation with China, but also train technological and managerial personnel for China so as to facilitate technological transfers.

Premier Zhao also visited the headquarters of the EEC in Brussels, which added special features to his visit. The morning of 5 June was a historical moment. At 0935, Premier Zhao came to the headquarters of the EEC and held talks with Thorn, president of the EEC. Premier Zhao and President Thorn are old friends. While shaking hands, Premier Zhao said: "This is a symbol of Sino-European unity. We hope that West European countries will further strengthen their unity and cooperation. We wish you new progress." President Thorn said: "We are striving for this target." At this time, cameras flashed from all corners, and President Thorn said humorously: "The temperature in the room is rising." Premier Zhao also said humorously: "This indicates that China and Europe should maintain still warmer relations."

At the talks between Premier Zhao and President Thorn, which lasted 2 hours, both sides satisfactorily reviewed the development of economic cooperation between China and the EEC and expressed that they would make greater efforts for the development of economic cooperation between the two sides. Premier Zhao highly appreciated President Thorn's contributions to promoting relations between China and the EEC. President Thorn said that the EEC would cooperate with China in the fields of energy, information, and biotechnology.

China is advancing. Belgium and the EEC are also advancing. This trend of advance is irresistible. People are convinced that China and Belgium and the EEC will maintain still warmer relations.

COLOMBIAN CONGRESS GROUP VISIT TO BEIJING NOTED

1 Jun Arrival

OW011425 Beijing XINHUA in English 1201 GMT 1 Jun 84

[Text] Beijing, June 1 (XINHUA) -- A Colombian Congress delegation arrived here from Shanghai by air at noon today to continue its friendship visit to China. The delegation is led by Carlos Holguin Cardi, chairman of the Senate, and Cesar Gaviria Trujillo, speaker of the House of Representatives, of Colombia.

The delegation was greeted at the airport by Wang Renzhong, vice-thairman, and Yan Mingfu, deputy secretary-general, of the Chinese National People's Congress Standing Committee.

Luis Eduardo Villar Borda, Colombian ambassador to China, was on hand.

The delegation, which arrived in Shanghai on May 30, was accompanied to Beijing by Zeng Tao, member of the NPC Standing Committee and vice-chairman of the NPC Foreign Affairs Committee, and his wife Zhu Biqing. The present China visit of the delegation is a return for the visit to Colombia by an NPC delegation led by Peng Chong, vice-chairman of the NPC Standing Committee, in December last year. This is the sixth delegation sent by the Colombian Congress to visit China since 1981.

## Holguin Speech at Fete

OW011920 Beijing XINHUA in English 1854 GMT 1 Jun 84

[Text] Beijing, June 1 (XINHUA) -- The Standing Committee of the National People's Congress gave a banquet for a Colombian Congress delegation led by Senate Chairman Carlos Holguin Cardi and Speaker of the House of Representatives Cesar Gaviria Trujillo in the Great Hall of the People here this evening. The banquet was presided over by Peng Zhen, chairman of the NPC Standing Committee.

Wang Renzhong, vice-chairman of the NPC Standing Committee, proposed a toast at the banquet on behalf of the NPC Standing Committee and its chairman Peng Zhen, warmly welcoming the Colombian guests on their China tour. He said China and Colombia are both developing countries and all belong to the Third World. Their similar past sufferings and the tasks they all face in developing their national economies have made the peoples of the two countries become sincere friends.

He said the two countries had identical or similar positions and shared common views on major international issues, adding that "since the establishment of diplomatic relations in 1980, their relations have been developing satisfactorily. The daily growing friendly contacts between the two parliaments, the two governments and the two peoples have promoted mutual understanding and friendship." Not long ago, he said, the Colombian Congress approved a trade agreement between China and Colombia, an agreement for scientific and technical cooperation and a cultural agreement. This will surely push forward the friendly relations between the two nations and extend the relations to new areas.

Wang Renzhong also praised Colombia for its unremitting efforts to ease the tension in Central America and seek for solutions to the problems in this region.

In his toast Holguin said Colombia and China are situated far apart from each other geographically, but their common history of suffering from foreign oppression has reduced their distance. He said: "We have come here for friendship. We are willing to make friends with China which is a time-honored and cultural country." He hoped that China would play an active role in the international scene and that the friendly relations between the two countries would continue to grow.

Present at the banquet were Wang Hanbin, secretary-general of the NPC Standing Committee, and Zeng Tao, Han Zheyi and Zhang Chengxian, members of the NPC Standing Committee. Colombian Ambassador to China Luis Eduardo Villar Borda was also present.

#### Meeting With Peng Zhen

OW011914 Beijing XINHUA in English 1901 GMT 1 Jun 84

[Text] Beijing, June 1 (XINHUA) -- Peng Zhen, Chairman of the Standing Committee of the National People's Congress, met with a Colombian Congress delegation led by Senate Chairman Carlos Holguin Cardi and Speaker of the House of Representatives Cesar Gaviria Trujillo here this evening.

On behalf of the Colombian Congress Holguin conferred on Peng Zhen a Extraordinary Grand Cross Gold Medal.

Peng Zhen said at the meeting that China would always adhere to its policy of opening to the outside world and speed up its construction so as to make greater contributions to the mankind. He said the Second Session of the Sixth National People's Congress had unanimously agreed to adhere to the open policy following earnest discussions and to absorb foreign funds and import advanced technology and management expertise. "By doing so we can win over speed for building socialism. Yet it is now just beginning. We will implement the open policy forever and will strengthen our economic cooperation, technical exchanges and trade with all countries of the world on the basis of equality and mutual benefit," Peng Zhen said.

Holguin said that China's open policy would surely bring benefits to China's development. Colombia and other countries hoped that the changes now taking place in China would also benefit the whole mankind, he said. At the awarding ceremony Holguin said the Extraordinary Grand Cross Gold Medal is to be awarded to those who serve the interests of the mankind. It was conferred on Peng Zhen to show the Colombian people's respect for the Chinese people, he added.

Peng Zhen thanked the Colombian Congress for conferring the medal on him, saying that this was a great honor not only for himself but also for the NPC and the Chinese people.

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Peng said China is a big country with a population of one billion. "We should make still greater contributions to the world and the mankind. At present our contributions are still insufficient. However, it is possible for us to make greater contributions step by step." Wang Renzhong, vice-chairman of the NPC Standing Committee, was present at the meeting.

#### Meeting With Wang Renzhong

OW021438 Beijing XINHUA in English 0849 GMT 2 Jun 84

[Text] Beijing, June 2 (XINHUA) — Wang Renzhong, vice-chairman of the National People's Congress Standing Committee, this morning held talks with Colombian Senate Chairman Carlos Holguin Cardi and Speaker of the House of Representatives Cesar Gaviria Trujillo. They exchanged views on bilateral relations and other issues of common concern.

Wang Renzhong praised the Colombian people for the victories in their protracted struggles to win independence and freedom and build up their country. The Chinese people paid high tribute to the Colombian people's success in defending their sovereignty and developing their national economy, he said. Wang Renzhong said that since the establishment of Sino-Colombian diplomatic ties in 1980, friendship and cooperation had been developed. The exchanges between the Chinese National People's Congress and the Colombian Congress had greatly helped increase mutual understanding and friendship between the two peoples and promoted relations between the two countries, he added.

Holguin said that Colombia and China shared identical views on opposition to hegemonism and on respect for the self-determination of the people of other countries. He hoped for joint efforts to safeguard world peace and establish a fair world economic system. Holguin also hoped to see promotion of political, economic, trade, cultural and health relations and scientific and technical cooperation between the two countries.

Wang Renzhong and Gaviria briefed each other on the economic development of their own countries.

#### Talks With Tian Jiyun

OW021730 Beijing XINHUA in English 1439 GMT 2 Jun 84

[Text] Beijing, June 2 (XINHUA) -- Chinese Vice-Premier Tian Jiyun met here this afternoon with a Colombian Congress delegation led by Senate Chairman Carlos Holguin Cardi and Speaker of the House of Representatives Cesar Gaviria Trujillo.

In a friendly talk, Tian Jiyun briefed the guests on China's economic reform and the development of its industry and agriculture. Tian said: "We are willing to take positive measures to develop trade, economic relations and scientific and technical cooperation with those countries in the world who are willing to develop ties of friendship and cooperation with China."



He said China and Colombia had no fundamental conflict of interests. They shared identical or similar views on a number of major international issues. "It is our sincere hope to constantly develop our friendly ties with Colombia on the basis of the five principles of peaceful coexistence and to conduct exchanges and cooperation in trade and in the economic, scientific, technical, and cultural fields in line with the principle of equality and mutual benefit," he said.

Holguin said great achievements had been made in China's economic construction. "We believe that marching along the road of economic reform, China will be able to speed its economic development," he added. He hoped the friendly ties and cooperation between Colombia and China would continue to grow. Gaviria told of Colombia's economic development during the meeting.

Present on the occasion were Zeng Tao, member, and Yan Mingfu, deputy secretary-general, of the Standing Committee of the National People's Congress, and Luis Eduardo Villar Borda, Colombian ambassador to China.

#### Meeting With Li Xiannian

OW050947 Beijing XINHUA in English 0930 GMT 5 Jun 84

[Text] Beijing, June 5 (XINHUA) -- Chinese President Li Xiannian reaffirmed China's links with the Third World when he met a visiting Colombian Congress delegation here today. The delegation is headed by Senate Chairman Carlos Holguin Cardi and Speaker of the House of Representatives, Cesar Gaviria Trujillo.

China supported Colombia's policy of independence and its participation in the Non-Aligned Movement, Li said. China also supported the Contadora Group for its efforts toward easing tensions in Central America. China backed the Third World countries in their economic development and their demands for establishing a new international economic order, he said, adding that his country would constantly educate its younger generations against becoming a superpower and never to seek hegemony. China would always stand by the side of the Third World countries, Li said.

Holguin said Colombia and China had established a firm and friendly relationship which benefitted both countries. His China tour was aimed at enhancing bilateral relations and friendship between the two peoples, he added. Li Xiannian asked Holguin to extend again his invitation to the Colombian President for a China visit. Present were Wang Renzhong, vice-chairman of the Chinese National People's Congress Standing Committee, and Luis Eduardo Villar Borda, Colombian ambassador to China.

#### BRAZILIAN PRESIDENT HOSTS 29 MAY BANQUET

OW292044 Beijing XINHUA in English 1845 GMT 29 May 84

[Text] Beijing, May 29 (XINHUA) -- Brazilian President Joao Baptista de Oliveira Figueiredo and Mrs Figueiredo gave a return banquet in the Great Hall of the People here this evening.



Among those present were President Li Xiannian and his wife Lin Jiamei; Rong Yiren, vice-chairman of the Standing Committee of the National People's Congress; Wu Xueqian, state councillor and minister of foreign affairs; Gao Yangwen, minister of coal industry; He Kang, minister of agriculture, animal husbandry and fisheries; Qian Zhengying, minister of water resources and electric power; Lu Jiaxi, president of the Chinese Academy of Sciences and other leading officials.

Figueiredo said his first presidential visit to Beijing had shown that China and Brazil were willing to further expand their mutual understanding. "Our common interests will be further expanded as our two countries are sharing more and more new and identical views on international issues. It is the common hope of our two nations to win peace, respect for all countries' independence, sovereignty and rights of self-determination, and oppose all forms of hegemonist politics," he said.

The actions of Brazil and China on the important problems of disarmament, reforming the international economic order, and preventing the international political situation from deteriorating due to the confrontation between the superpowers demonstrated that the two countries held much in common and shared identical views. Brazil-China relations were established on the basis of efforts to strengthen bilateral cooperation and of identical views on major international political issues. "I am sure that the identical views enable us to foresee the inspiring future of Brazil-China ties," he added.

Li Xiannian said President Figueiredo's visit had been short but fruitful. "Both of us have hopes of further enhancing our two countries' relations, and have similar views on many major international issues," he said. The accords on Sino-Brazilian scientific, technological and economic cooperation signed today had laid a more solid basis for cooperation and exchanges in these areas, he added.

Latin America, an important part of the Third World, is a very active force in the international arena, Li said. The Latin American countries had advanced many proposals and made positive contributions to maintaining world peace and international justice, he noted.

China stressed unity and cooperation with the Latin American countries and firmly supported their just struggles to defend their national independence and state sovereignty, and develop their national economies, Li said.

Also present were Chinese Ambassador to Brazil Xu Zhongfu and Brazilian Ambassador to China Italo Zappa.

YUNNAN COMMENTATOR URGES NEGATING FACTIONALISM

HK070832 Beijing RENMIN RIBAO in Chinese 7 Jun 84 p 1

[31 May YUNNAN RIBAO Commentator's Article: "Both Rebel Factional Organizations Were Wrong" -- "slightly abridged by RENMIN RIBAO"]

[Text] To uproot factionalism today, we must take a firm and clear-cut stand and unequivocally declare that both factions were completely wrong and both must be totally negated. There was no distinction of better or worse or right or wrong between the two factions.

This is because both the factions were products of the "Cultural Revolution" and emerged and carried out their activities under the guidance of the theory of "continuing the revolution under the dictatorship of the proletariat." The ideological line of both factions was idealist and metaphysical; it consisted of fixing one's eyes on the opponent and preaching that "I alone am leftist," "I alone am revolutionary," and "I represent the correct line." Both factions shouted that "it is justified to rebel," rebelled against the "capitalist-roaders," and kicked aside the party committees to make revolution, with the aim of seizing power.

Again, it is because both factions were desperately vying for affirmation and support by the so-called "proletarian headquarters," and if there was a phrase from a member of the "proletarian headquarters" affirming or praising a faction, or a word or two benefiting it, this immediately became "great and joyous news," big-character posters and pamphlets filled the streets, and it was used to attack and suppress opponents.

Again, it is because both factions waged "savage struggle and merciless assaults;" you attack me, I attack you; you swallow me, I swallow you; that the cadres and masses were split, with extremely serious consequences. What started off as struggle of tongue and pen developed into a struggle by force with real knives and guns, and the consequences were tragic.

Again, it is because the leading cadres suffered as a result of the factional struggle. Some people said that "one faction was rebelling against the 'capitalist-roaders,' while the other was protecting veteran cadres." This does not accord with the historical truth of the "Cultural Revolution." As everyone knows, at that time both factions were engaged in both attacking and protecting leading cadres; I will protect whoever you attack, and I will attack whoever you protect; or else both factions wanted to drag out, struggle against, and strike at and topple certain leading cadres; only a very few leading cadres were not attacked by the two factions.

Again, it is because a very few bad people in the two factions were doing bad things and had ties with the conspiratorial activities of the Lin Biao and Jiang Qing counter-revolutionary cliques. Some of them became factional elements, and some became "people of three categories." It is wrong to say that our province cleaned out or could only clean out one faction without dealing with the other during its work of exposure, criticism, and investigation. It is also wrong to say that factional elements and "people of three categories" all belong to only one faction.

Of course, saying that both factions were wrong certainly does not mean all of those who joined the two factions were wrong. The great majority of them were good or relatively good, and many of them gradually became doubtful and hesitated regarding the "Cultural Revolution," and this eventually turned to resistance and opposition to it.

They also were disgusted by factionalism, and many of them were dealt merciless blows on that account. Only a very few people in the two factions were bad. However, although few in number, they played a bad role on an inestimable scale. These people are most fond of boring holes by means of factionalism, and use factionalism to conceal themselves.

Totally negating the two rebel factional organizations is a "drastic measure" for overcoming factionalism. It is essential to totally negate the two factions in order to uproot factionalism; and this is also a very important content of totally negating the "Great Cultural Revolution."

#### CPC COMMISSION URGES HALT TO HOUSING INFRACTIONS

OW071131 Beijing XINHUA Domestic Service in Chinese 1427 GMT 6 Jun 84

[Text] Beijing, 6 Jun (XINHUA) -- The Discipline Inspection Commission of the CPC Central Committee sponsored a meeting today to study how to continue to implement the guidelines set out in the open letter of the Central Discipline Inspection Commission, calling a halt to irregularities in housing construction and distribution. The meeting was attended by heads of the discipline inspection groups of various departments, ministries and commissions under the CPC Central Committee and state organs, and secretaries of the party committees of various state organs. The meeting pointed out that, in the course of rectifying the party organizations, all departments under the CPC Central Committee and state organs must earnestly stop irregularities committed by cadres in housing construction and distribution, and strive to have the project successfully accomplished by the end of September.

Han Guang, secretary of the Central Discipline Inspection Commission, chaired and addressed the meeting. He urged all departments to do a good job in accomplishing the task of implementing the guidelines set out in the open letter, and seriously investigate and handle those cadres committing irregularities in housing construction and distribution. Han Guang pointed out that, whenever it deems it necessary, the Central Discipline Inspection Commission will examine how certain cadres have been following the guidelines set out in the open letter.

The meeting pointed out that irregularities in housing construction and distribution are fairly common among party member-cadres of the central and state organs, and that some problems are quite serious. Most of the problems involve cadres abusing their authority to extort rewards and build houses for themselves; cadres taking advantage of their authority in managing and distributing housing to grab the better houses for themselves, their children, relatives or friends; cadres grabbing more housing, by inflating the number of occupants and practicing fraud; married couples, working at two different units, occupying two houses or more by submitting separate applications for housing assignment; cadres grabbing houses by force; cadres taking advantage of the relocation of a building to fabricate nonexistent households in order to obtain housing compensation for themselves, or for their relatives, friends or "households of special relations."

The meeting pointed out that, although the central and state organs have accomplished a great deal in implementing the guidelines set out in the open letter, and certain departments have even set up, or strengthened, their operational organs to investigate and correct irregularities in housing distribution and other relatively serious problems which irk the people, the central state organs are generally not as successful as the local authorities in this regard.

For this reason, all departments, particularly those having yet to attend to it must attach great importance to solving this problem, and consider it an important topic of discussion on the agenda. In the course of rectifying the party organization and making corrections, they should thoroughly inspect the existing problems, and handle them promptly and efficiently, so that the work of the central and state organs in implementing the guidelines in the open letter is just as good as that of the local departments.

Qian Yongchang, deputy secretary of the leading party group of the Ministry of Communications, briefed the meeting about the ministry's work in implementing the guidelines set out in the open letter, and in stopping the irregularities in housing construction and distribution.

CIRCULAR ISSUED ON STUDYING ZHAO WORK REPORT

OW080635 Beijing XINHUA Domestic Service in Chinese 1505 GMT 7 Jun 84

[Text] Beijing, 7 Jun (XINHUA) -- The Propaganda Department of the CPC Central Committee recently issued a circular calling on the propaganda departments of the party committees at all levels and the units under the propaganda departments to seriously study and publicize the government work report delivered by Premier Zhao Ziyang at the Second Session of the Sixth NPC.

The circular says: The government work report made by Premier Zhao Ziyang at the Second Session of the Sixth NPC has systematically expounded the basic principles for the present domestic construction and foreign affairs. It has particularly set out an important policy decision and specific arrangements for accelerating the reform of urban economic system and further implementing the policy of opening to the outside world. This very important report has been examined, discussed and approved by China's highest organ of state power and has the force of a statutory document. All localities, departments and fronts should conscientiously implement it. The propaganda departments of the party committee at all levels and the units under the propaganda departments should attach great importance to it. They should review their past work, further emancipate their minds in light of the realities and profoundly understand the spirit of the report. They should adopt flexible and varied measures to publicize and explain it comprehensively and thoroughly among the people so that the broad masses of the cadres and the people will unify their thinking, enhance their understanding, adapt themselves better to the situation of reform and an open-door policy, and make positive contributions at their workposts to socialist modernization.

The circular points out: For a period in the past, various localities successively gave publicity to a number of typical examples of reform and popularized some successful reform experience. The work in this respect was well done. The policies and measures for urban reform presented in the government work report are a precise summation of the reform experience gained by various quarters in past year or so since the First Session of the Sixth NPC. They were gradually formulated and preliminarily formed into a coherent series on the basis of serious practice and full proof. Under the present conditions, the report is a reasonable and effective plan for accelerating urban reform. From now on, all propaganda departments and journalistic units should further strengthen publicity of the report according to the guidelines and requirements set by the report. They should enthusiastically support and advocate all reforms that are in line with the guidelines of the report. They should pay particular attention to summing up and introducing experience and making the experience flawless.



We may continue experiments on new practices at selected places which are still in the exploratory stage. We should actively publicize the spirit of reform and bringing forth new ideas, and at the same time we should act strictly with the scientific attitude of seeking truth from facts. We should fully report on new things emerging in the course of reform, and study new problems in connection with reform in a timely manner. We should pay attention to the continuity of policies in our propaganda. Many important theoretical questions have emerged with the progress of reform and with the implementation of the policy of opening to the outside world. We should make great efforts to study and discuss these questions according to the principle of integrating theory with practice. On the one hand, we should theoretically and profoundly expound and display the spirit of the report. On the other hand, we should encourage everyone to conduct investigations and studies and express his views on questions concerning reform in order to pool the wisdom of the masses, enhance people's understanding and improve the results of reform. In short, all of our propagandas reports and theoretical studies should strive to help people enhance their understanding of the correct line of the CPC Central Committee and basic principles and policies of our party and our government.

#### HE ZHENGWEN DISCUSSES NATIONAL DEFENSE

OW071211 Beijing XINHUA Domestic Service in Chinese 0133 GMT 7 Jun 84

[Text] Beijing, 6 Jun (XINHUA) -- In an article "A Fundamental Law for Modernizing Our Country's National Defense," He Zhengwen, deputy chief of General Staff of the PLA, says that the promulgation of the new military service law indicates that China's national defense construction has entered a new stage.

He Zhengwen is a responsible person of the CPC Central Committee Military Commission's leading group for revising the military service law. In the article he writes: Building a strong, modern, regular revolutionary army constitutes the general principle for the building of our Army in the new historical period, and also the nucleus for modernizing our national defense. The new military service law was formulated precisely to meet this need. Corresponding provisions have been made, through legislation, for the system of military service, the recruitment and discharge of soldiers, and the enlistment and discharge of officers in our country. This ensures the source of manpower and the conditions needed in modernizing our Army, and will suit and meet the needs of a war against aggression in the future.

The article says: The military service law affirms the system of compulsory military service as the basic form of our country's system of military service. A definite number of outstanding youths will be recruited to serve in the Army each year. This will enable the Army to have a constant rotation and replacement of soldiers, and thus maintain its strength and vigor; at the same time, a number of well-trained and tempered soldiers will be discharged each year to serve in the reserves, thus constantly enlarging the reserve force for strengthening national defense. The system of voluntary military service will be concurrently practiced on the basis of the system of compulsory military service. A small number of key technicians will be selected from among draftees, and then changed into volunteers to continue service in their units. This will solve the problem of key technicians needed in building a modernized army.

Reforming the system of cadres' work, and quickly building a contingent of revolutionary cadres, who will be better educated, professionally more competent and younger, is an urgent task confronting us in modernizing the People's Army. During the period of the revolutionary war, and even since the building of New China, the source of cadres in our Army relied mainly on direct selection from outstanding soldiers.

This was necessary in the past, and it played an important role. However, in the new situation, in which the weapons and equipment of our Army have been constantly replaced, and the building of combined forces from the various services has been constantly strengthened, obviously our needs cannot be met by continuing to use the old method. Therefore, it must be changed. Proceeding from the needs of building a contingent of cadres, who will be revolutionized, better educated, professionally more competent and younger, the new military service law stresses that replacements of active duty officers in peacetime must receive training from military academies, and also makes corresponding provisions governing the recruitment of young students by military academies, and the institution of military training among students in institutions of higher learning, thus providing a legal basis and guarantee for enforcing a new system of cadres work in our Army, for raising the scientific and technical level, and organization and command abilities of the military cadres.

The new military service law also provides for the restoration of our Army's system of military ranks. Conferring military ranks on soldiers can raise the military and political quality of the Army, strengthen its sense of organization and discipline, and heighten its prestige, moral and combat strength; what is more important is that it makes it easier to correctly organize and command a large-scale and complicated joint operation of the various services, to meet the needs of a future war against aggression.

The article says: Strengthening the building of the reserve force, and improving the ability to move rapidly in wartime constitutes another important aspect in modernizing our national defense. The new military service law makes explicit and specific provisions for strengthening militia building, improving the system of reserve duty, and putting into effect troop mobilization in a war situation. Thus, the building of our country's reserve force is guaranteed by law and regulation. In accordance with the provisions of the new military service law, our country enforces the combination of the militia system and the system of reserve duty in building its reserve force. This means that, while the traditional militia system is upheld, we must set up and improve the system of reserve duty; while the militia is a part of our country's armed forces, it must also be made the basic organizational form of reserve duty. This form of organization, presented after summing up the historical experience in building the national reserve, and by proceeding from the reality in our country, embodies the characteristics of building the national reserve, and is also an important measure for strengthening our country's defense capability in the new historical period. The militia has always been the foundation of troop mobilization, and it has a glorious tradition of joining the Army. In this sense, militia and reserve duty are identical in nature. Therefore, it is absolutely necessary that the two be combined. Through the militia organizations, the majority of the reserves can be organized into units, put under control, and turned into a strong reserve force, which is well organized, equipped, and trained. An important hallmark of our country's reserve system is that it has distinctive Chinese characteristics.

The article says: The implementation of the new military service law will not only be of great significance to the modernization of our country's national defense, but will produce a positive impact on promoting the development of the national economy. National defense construction is subordinate to, and, at the same time, serves economic construction. With a strong active duty army as our support, and a giant reserve force as our backing, we can spend a little more time on economic development, in order to speed up our country's socialist modernization. On the other hand, our stress on building up a strong reserve force proceeds, to a large extent, from the purpose of strengthening economic construction.

Once militia and reserve duty work are satisfactory, we shall not have to maintain a large army in peacetime, but shall have plenty of soldiers in wartime. Thus, we can use the manpower, material, and financial resources we save to promote economic development.

The article points out: The new military service law can serve as an effective ideological weapon for conducting national defense education among the people of the entire country. We must make full use of this weapon in conducting education on patriotism and on defending the motherland among the people, especially among the young people, throughout the country. Every citizen should be made to understand that the danger to the state and the survival of the nation are closely connected with his interests; he must be made to understand and abide by the laws, to consciously carry out his due military service duty, and to contribute his share to national defense work in different posts.

He Zhengwen's article will be published in the capital's newspapers in the near future.

LIAOWANG COMMENTATOR'S ARTICLE VIEWS REFORM

HK070758 Beijing LIAOWANG in Chinese No 21, 21 May 84 p 1

[Commentator's article: "Do Not Regard the Beginning as Excessive"]

[Text] At the Second Session of the Sixth NPC currently being held in Beijing, a strong voice of the times has set forth: Reform! Reform is the "general trend" in China, on which the four modernizations depend. The spring breeze of reform is blowing all across the motherland. "Ducks know first when the river water gets warm in the spring." As this spring breeze of reform is briskly at work, a batch of noted reformers throughout the country held an academic forum in Hefei during the first 10 days of May to discuss matters related to the new technological revolution and system reform. Most of these reformers are forerunners of system reform in the fields of economy, science and technology, and education. They exchanged experiences in reform, enthusiastically discussed the general situation of reform, and anticipated the future prospects of reform. They described, with a multitude of facts, that the situation of reform on various fronts of our country was excellent, and the trend of reform could not be resisted.

However, reform is not always easy sailing. Some reformers talked of their experience: As reform attained some initial results, gossip and taunts were heard: "Reforming should be appropriate. If it is carried out to excess, a qualitative change will occur. Therefore, you should keep a level head." "You should stop when you have tasted a little sweetness of reform. If you continue to do this kind of thing, you will taste the bitter side." All of these messages may be in the form of warnings or advice, but they all carry the meaning: Reform is being excessively conducted.

Is reform truly being taken to excess? Absolutely not. Reform has just begun. Do not regard the beginning as something excessive!

Socialism is a process of continuous reform and creation. It is the cause of millions of people themselves, and should be realized through the creative power of these millions of people. Engels once said: "I hold that what is called a 'socialist society' is not a thing without any change. Just like any other social system, it should be regarded as a society undergoing constant change and reform."



The reform we are promoting is aimed at, with reference to the reality of our country and in a socialist direction, reforming the relations of production as well as those outdated customs and rules in the superstructure which do not meet the needs of developing the productive forces, constantly perfecting the socialist relations of production and superstructure, further emancipating the productive forces, and promoting the development of the building of the four modernizations. In reform, the basic principles of socialism must be adhered to, or else the reform will go astray. However, the concrete measures in building socialism should not stick to a fixed pattern, but should be taken with bold innovations and creations. Socialism is developing amid continuous reform. Building socialism with Chinese characteristics needs continuous reform all the more. Therefore, nothing is "excessive" in conducting reforms in line with socialist principles.

What criteria should be employed to judge the correctness or incorrectness of our reform? The criteria should be whether the reform is beneficial to building socialism with Chinese characteristics, to the prosperity of our country, and to the allurement and happiness of the people. In recent years economic reform in our rural areas has taken the lead in the country and is still advancing vigorously; economic reform in various cities is gaining momentum by absorbing the successful experiences of the rural economic reform and on the basis of the characteristics of the city; and gratifying results have been achieved in reforming the systems of science and technology and of education. An "able person" has saved a factory, an item of reform has created the wealth of scores of tens of thousands of yuan, the popularization of a responsibility system has created a new situation for an entire front.... In many places once reform is carried out, prominent results will be achieved, in the interests of the nation and the people. Here we would like to ask: How can this kind of reform be regarded as "excessive"?

Comrade Hu Yaobang once presented the idea that reform "should be conducted comprehensively and systematically, and resolutely and in good order." What is called "comprehensive" means that reform should be carried out in all places, units, and fields, reforming all the old viewpoints, systems, and methods which are not suited to the development of the productive forces. What is called "resolute" means that reform should be carried out thoroughly without any vacillation. When compared with these requirements, the current reform is far from wide enough or deep enough. Where does the question of "excess" come in?

Now, when the reform has just begun, there are persons talking presumptuously of "excess," which demonstrates that there are obstacles to reform. The obstacles come mainly from "leftist" influences and the old forces of custom. Those having the theory of "excess" are people with their minds and limbs tightly bound by these two ropes. They have many ambiguous views regarding what is called socialism and what is called capitalism, and they tend to raise questions like "should this be called 'socialism' or called 'capitalism'," which make certain people refrain from carrying out reforms. They hesitate to do anything new and stick to old rules and customs so that they can rest peacefully. They do not allow changes or alternations in order to avoid committing mistakes or offending others. Consequently, they do not dare move a step forward in the direction of reform. They give no considerations to the great cause of the four modernizations and do not strive to make the country strong, but only think of ways of preserving their comfortable way of life and "eating from the same big pot." With regard to these persons who are afraid of taking reform "to excess," some of them are against reform, and some are reformers of the type of those who resemble "the proverbial Lord Ye who claimed to be fond of dragons but in fact was mortally afraid of them."



At the beginning of reform, they follow others in hailing its progress; but when reform conflicts with their own benefits, they will adopt an attitude of "staggering in their advance, and mumbling in their speeches." With regard to these comrades, as long as we can seriously and warmly help them emancipate their minds, straighten out their understanding, and remove their "leftist" and "selfish" stumbling blocks, it is certain that they can advance among the large contingent of reformers.

The reform currently in progress is a completely new undertaking in the history of our socialist construction, and is also an arduous, long-term, and complicated task. The task is arduous and the road ahead is long. All those who advocate reform should make unremitting efforts and carry out reforms boldly but cautiously, and they should be bold in and good at carrying out reform. It is necessary to carry reform through to the end with resoluteness and with full confidence.

#### GU MU, HAO JIANXIU INSPECT ZHUHAI SPECIAL ZONE

HK061501 Guangzhou Guangdong Provincial Service in Mandarin 0400 GMT 6 Jun 84

[Text] Accompanied by Wu Nansheng, secretary of the Guangdong Provincial CPC Committee, Gu Mu, secretary of the Secretariat of the CPC Central Committee and state councillor; and Hao Jianxiu, alternate secretary of the Secretariat of the CPC Central Committee, inspected Zhuhai Special Zone on 2 and 3 June.

During their stay in Zhuhai, comrades, including Gu Mu, inspected Jiuzhou Port, the (Shiyong) factory of the (San Lian) Enterprise Company, Zhuhai (Dixia) village, and the Gongbei Guesthouse.

(Fang Bao), secretary of the Zhuhai City CPC Committee; and (Liang Guangda), acting mayor, reported in detail the situation in building Zhuhai Special Zone. Comrade Gu Mu encouraged all of them to continue to emancipate their minds, to be bold in carrying out reform, and to further accelerate the building of Zhuhai Special Economic Zone.

#### GU MU ON SPECIAL ECONOMIC ZONES, COASTAL CITIES

HK060723 Guangzhou YANGCHENG WANBAO in Chinese 4 Jun 84 p 1

[Report: "Gu Mu Says To Reporters in Shenzhen That Special Economic Zones Should Constantly Create New Experience and Serve as Pacesetters to Coastal Cities Opened to the Outside World"]

[Text] State Councillor Gu Mu recently said to reporters of SHIJIE JINGJI DAOBAO in Shenzhen: The special economic zones should serve as pacesetters to coastal cities opened to the outside world and should accelerate their development.

Gu Mu said: The decision of the central authorities on further opening the coastal cities to the outside world is precisely the successful experience drawn from and certain policies implemented in the special economic zones. The experience in the special economic zones, such as inviting tenders in building industry is now being popularized to the coastal cities and the entire nation. Under such a situation, the special economic zones must adhere to further carrying out reforms and opening to outside world, must sum up experience and constantly blaze new trails, must continue to provide fresh experience to the coastal cities opened to the outside world, and must strive to play the role of "display windows of technology, knowledge, management, and foreign policies."

Gu Mu pointed out: The development of the special economic zones in China has gained domestic and world attention. It is regarded as an important symbol of the open-door policy pursued by China to promote economic construction.

Some Japanese figures held: Along with the shift in the focus of the world's economic development toward the East, China's special economic zones will become important "ties" for economic and technological interchange and will play the role of "filters" in assimilating advanced foreign technologies and management experience. These remarks show keen insight. In order to closely link China's special economic zones with the international markets, it is necessary to formulate policies and adopt measures which can meet the needs of further opening to the outside world. At present we must do our utmost to enhance the import of advanced technologies and particularly the projects of intensive technology and knowledge. We must offer part of the domestic market to the products manufactured by advanced techniques, technologies, and equipment provided by foreign businessmen. This is the determination we have made.

Gu Mu emphatically said: In order to meet the needs of dealing with the international market as quickly as possible, the special economic zones should persist in the principle of "running special and new things in a special and new manner, keeping to our stand, and using entirely new methods;" they should reform the management system and structure and eliminate the convention currently practiced in China which cannot suit the development of production. The reform of many fields should be carried out simultaneously so that they can gradually attain the purpose of quickly reacting to the frequent changes in international markets and achieve the best economic results. The experience of the Chinese Merchants' Steamship and Navigation Company in Hong Kong in developing the Shekou Industrial Zone merits attention. The Shekou reform experience should be popularized in the special economic zones.

Gu Mu pointed out: Although progress has been made in enterprise management in the special economic zones as compared with the previous year, there are still many aspects which are not suited to the actual needs and which call for summing up experience and improvement. We must actively introduce the scientific management experience of other countries, however, it should be assimilated and improved in connection with the actual situation of China instead of being copied mechanically. We must also maintain the effective management experience we had in the past in order to gradually form into a full set of our own management regulations which are mature and perfect. In the course of exploring the road of building socialism with distinctive Chinese features, the special economic zones should give full play to their role.

#### INTERVIEW WITH GU MU ON FOREIGN INVESTMENT

HK080420 Beijing CHINA DAILY in English 8 Jun 84 p 1

[Article by "our staff reporter" Ming Zhong: "New Rulings To Benefit High Tech Investors"]

[Text] Foreign investors who supply China with advanced technology and equipment will be allowed to sell a portion of their goods in China's domestic market, according to Gu Mu, state councillor and member of the Secretariat of the Party Central Committee. This is just one of the new rulings to go with the decision to open 14 more port cities to expanded foreign investment.

In an exclusive interview with CHINA DAILY, Gu said foreigners will now be allowed to operate factories and businesses, using 100 percent foreign investment. They will be able to offer some of their products for sale here if they supply China with advanced technology, and will pay only 15 percent income tax if they produce high-tech goods or if their investment is more than \$30 million.

The 14 cities are Dalian, Qinhuangdao, Tianjin, Nantong, Shanghai, Yantai, Qingdao, Lianyungang, Ningbo, Wenzhou, Fuzhou, Guangzhou, Zhanjiang and Beihai. In the 14 cities and Hainan Island, all production equipment and building materials imported for joint ventures, cooperative enterprises or foreign-financed enterprises will be tax-free, Gu said. This also applies to imported raw materials and spare parts for producing export goods, he added. In the 14 cities, economic development zones may be set up in designated areas concentrating on introducing advanced foreign technology, producing high-grade goods and providing hinterland areas with new skills and experience in modern management.

The state councillor stressed that priority should be given to upgrading the existing enterprises in these cities and to establishing a number of small and medium-sized projects that can contribute to the nation's modernization. Decisionmaking power will be greatly expanded in these cities in cooperation with foreign firms. In updating enterprises or building new factories, for instance, Shanghai and Tianjin can go ahead with any project under \$30 million without higher approval, he said. Also those enterprises established mainly with foreign funds or foreign equipment may be approved by these cities no matter how large the investment. To help these port cities accelerate their economic development, the Bank of China will expand its service by organizing investment consortia with foreign banks, Gu said.

#### NEW BUSINESS LAWS, REGULATIONS UNDER FORMULATION

OW080241 Beijing XINHUA in English 0231 GMT 8 Jun 84

[Text] Beijing, June 8 (XINHUA) -- New laws covering foreign investments, Sino-foreign cooperative enterprises, independent foreign enterprises, foreign trade and contracts are now being formulated, according to the State Council Economic Legislation Research Center. The laws and regulations will be promulgated at the earliest possible time, but no specific deadline has been set, an official from the center said.

The foreign investment law is now being drafted by legal experts from ministries and commissions of the State Council, universities and Guangdong and Fujian Provinces, he added. A draft law on Chinese-foreign cooperative enterprises has been approved by an executive meeting of the State Council and will be submitted to the National People's Congress Standing Committee for deliberation. The draft law has been revised four times based on opinions collected in Guangdong and Fujian and the Tianjin and Beijing Municipalities. China began to allow Sino-foreign cooperative enterprises in 1979. By the end of 1983, there were 1,047 of the businesses backed with foreign investments of 2.95 billion U.S. dollars.

#### XINHUA COMMENTATOR ON RESEARCH SYSTEM REFORM

OW250117 Beijing XINHUA Domestic Service in Chinese 1432 GMT 24 May 84

[XINHUA commentator's article: "Learn From Zhuzhou's Experiences, Reform the System of Scientific Research"]

[Text] Beijing, 24 May (XINHUA) -- The Zhuzhou City Electronics Research Institute and other units which are geared to the requirements of economic construction have conducted some beneficial exploration and experiments in reforming the scientific research system.



These units have now instituted a remunerative contract system in contracting for projects from other units as well as an internal item contract system. As a result, they have become independent in operating expenses, which used to be appropriated by the state.

Practice proves that the reform orientation of these units is correct and that they have accurately grasped the key to reform. Thus, they have solved many long-standing problems in scientific research. Judging from the visible results, the reforms being carried out by these units have propelled themselves to be geared to the requirements of economic construction and eager to meet the needs of national construction. This is conducive to breaking down the barriers among the departments and regions and promoting the rational flow of scientific research so that able people can bring their abilities into full play. This has greatly aroused the enthusiasm and creativeness of scientists and technicians. As a result, these scientific research units have gained vitality and established the conditions for rapid development. At the same time, the income of scientists and technicians, who have been contributing to economic construction, has increased more than that of others.

More than 100 of the country's scientific research units are now experimenting with the remunerative contract system; 87 of them have become completely independent economically. Some 100 scientific research units are gradually becoming independent economically, and many other units are actively asking for permission to make such an experiment. This new trend of active reform shows that the forefront of scientific and technical work has a potentially inexhaustible enthusiasm and creativeness for reform. Scientific research units engaged in technological development, popularization, and application may greatly quicken their pace of reform in instituting the remunerative contract system.

In his government work report at the Second Session of the Sixth NPC, Premier Zhao Ziyang emphatically pointed out: "To meet the requirements of economic construction, governments at all levels should place the reform of the educational and scientific research systems as an important item on their agendas and carry it out as a strategic task." The reform experiments conducted by the Zhuzhou City Electronics Research Institute and other units have pointed out the correct direction for the reform of the scientific research system and provided initial experiences in this regard. Leaders at all levels should enthusiastically and effectively support scientific research units, especially those engaged in technological development, popularization, and application, to vigorously carry out reforms in this direction and according to their own characteristics. It is necessary to learn from the spirit of the Zhuzhou City Electronics Research Institute and other units in being brave in carrying out reforms, emancipating their minds, and doing practical work. It should be clearly understood that the purpose of reforming the scientific research system is to enable scientific research units to be better geared to the requirements of economic construction and to achieve the great objective of "quadrupling the gross annual value of industrial and agricultural production" set by the 12th CPC Congress.

Of course, the experiences gained by the Zhuzhou City Electronics Research Institute in conducting the reform experiment are still preliminary, and they need to be improved in practice. In learning from and popularizing its experiences, all localities should proceed from reality and pay attention to discovering and summing up their local experiences. By conducting experiments themselves, they should popularize these experiences step by step, actively create new forms of reform, and gain new experiences in order to promote the continuing development of reform of the scientific research system in the correct direction.



REPORT ON ECONOMIC SYSTEM REFORM SYMPOSIUM

## Minutes Circulated

HK250314 Beijing RENMIN RIBAO in Chinese 21 May 84 pp 1, 3

[Report: "Minutes of a Symposium on Experimental Economic System Reform in Selected Cities, Approved by the State Council and Circulated by the State Economic System Reform Commission"]

[Text] With the approval of the leading comrades of the State Council, the State Economic System Reform Commission recently circulated the "Minutes of a Symposium on Experimental Economic System Reform in Selected Cities." The "minutes" outlined the main content of a symposium on experimental economic system reform in selected cities held in Changzhou from 16 to 25 April 1984. At the symposium arrangements were made to accelerate experimental economic system reform in selected cities. The "minutes" pointed out that China's reform of the urban economic system started with expanding the decisionmaking rights of enterprises and is now developing in breadth and depth. Over the last few years, with the approval of the State Council, Shashi, Changzhou, and Chongqing Cities have carried out economic system reform on a trial basis, and initial results have been achieved. However, the participants in the symposium felt that reform of the urban economic system was not fast enough, that reform work had not been carried out evenly in different areas, and that this could not meet the needs of the development of the new situation. To make a strategic breakthrough in reforming the urban economic system, it is necessary to speed up the work of experimental economic system reform in selected cities. At present, the selected cities should focus their attention on enlivening enterprises and circulation channels so as to bring reform forward in other fields.

The "minutes" pointed out that streamlining administration, transferring power to lower levels, enlivening enterprises, and tapping the potentials of enterprises are the bases for bringing into play the role of cities as economic centers and that they are tasks of primary importance in reform of the urban economic system. Delegates to the symposium were strongly discontented with the fact that enterprises have only a little power, that enterprises have too many "authorities," and that enterprises are shouldering an excessive burden. The "minutes" made it clear that with regard to planning production, marketing products, utilizing funds, labor and wages management, appointing and dismissing cadres, and setting up organizations, state-run enterprises in selected cities should further expand their decisionmaking rights and work out principled stipulations.

It is necessary to further enliven collective enterprises and small state-run enterprises. Collective enterprises are required to operate on the principle of collective ownership and to assume sole responsibility for their own profits or losses. A floating wage system will be implemented with neither a ceiling nor a floor. Staff and workers are allowed to buy shares in enterprises and to draw their dividends by the end of a year. Some small state-run enterprises can use the operational methods adopted by collective enterprises, pay eight-grade excess progressive taxes, and assume sole responsibility for their own profits or losses, others can carry out a collective or individual contract system.

After state-run enterprises have obtained decisionmaking rights, they should lose no time in perfecting the economic responsibility system, in enabling cadres to be clear about their duties, in combining responsibility with power, in speeding up decisionmaking work, and in raising work efficiency so as to improve enterprises' quality. This year, Dalian and Changzhou Cities have started implementing the factory head (manager) responsibility system. Some enterprises in other selected cities can do the same. Reform can be carried out in all trades in the construction industry.

The symposium demanded that selected cities conscientiously do a good job in preparing for and implementing the second stage of reform in the work of "substituting taxes for delivery of profits," so as to further perfect the relationships between the state and enterprises.

The "minutes" pointed out that enlivening circulation channels is an important prerequisite for promoting production and bringing the role of key cities into play. At present, it is necessary to focus our attention on carrying out the reform of the commercial wholesale system by starting with the work of setting up trade centers. In principle, the rights of two-level commercial stations in selected cities should be transferred to the city level and these stations should be merged into wholesale organizations. In addition, it is necessary to set up various types of trade centers, warehouses, and wholesale markets for manufactured goods and agricultural and sideline products. Trade centers should be run in such an open manner that any person from economic units of all-people or collective ownership or from individual economic units can carry out business transactions in these centers without observing the present wholesale procedures or the bounds of different areas and trades. Operational methods should be flexible and varied. Urban materials departments should also set up trade centers for production materials and establish markets and sales departments. In the course of establishing trade centers, it is necessary to develop various forms of industrial and commercial combinations, of agricultural and commercial combinations, and of agricultural, industrial, and commercial combinations.

The "minutes" pointed out that to bring into play the role of cities in organizing economic work, it is necessary to reform the planning management system. In selected cities, the power of enterprises affiliated with the central and provincial authorities should be transferred to the city level, with the exception of the power of a small number of key enterprises directly under the central departments concerned. This is a prerequisite for reforming the urban planning management system. To avoid multistrata planning, it is advisable that provincial departments and bureaus assign tasks only to cities. Then, city planning commissions will arrange the tasks and assign them to enterprises through "funnels." In addition, it is necessary to change the method of supplying materials for enterprises through central and provincial "departments."

To improve and strengthen urban economic planning and management, it is necessary to let selected cities have the power to regulate the economy. Under the prerequisite of basically maintaining urban market prices and in accordance with the development of production and market changes, selected cities can raise or lower the prices of some products which do not affect the national economy and the people's livelihood. Beginning this year, the central authorities will not exercise control over the prices of small commodities. They will exercise control only over the prices of important production materials. Under the management and supervision of urban price control departments, industrial and commercial enterprises can put into effect quality price differences, color and design price differences, regional price differences, seasonal price differences, and price differences between wholesale and retail sales.

It is necessary to reform the bank credit system. In line with the policy for developing trade and by considering the results achieved by enterprises in utilizing funds and whether products are marketable, it is necessary to expand the scope of floating interest rates and differential interest rates. Banks should provide preferential loans for units carrying out important technical reforms and producing new products, and they should provide loans at discounted or low interests for units producing quality and famous brand products. Banks can also provide buyers' credits, sellers' credits, bill discounts, and mortgage loans.

To promote economic combination and open up all avenues for funds, some enterprises can ask for approval for trial issues of transdepartmental and transregional share certificates or bonds, and banks should do the work on behalf of these enterprises. The funds of banks in selected cities should be made available to all banks in these cities.

The "minutes" pointed out that after completing administrative structural reform and realizing a change in administrative division, cities implementing the new system of cities exercising leadership over counties should lose no time in accelerating the reform of the economic system so as to study and perfect the new system. It is necessary first to work out a coordinated, development plan for urban economic, scientific, and technological work. To meet the needs of large-scale socialized production, it is necessary to gradually establish a network of production, circulation, science and technology, finance, information, and post and telecommunications so as to form a new structure which is beneficial to developing urban and rural economy. It is necessary to bring into play the superiority of the urban and rural areas and to strengthen the construction of small towns so as to enable small towns to play a better role in linking urban and rural areas.

The "minutes" concluded that apart from the cities which have been selected by the State Council for experimental economic system reform, provinces and autonomous regions having the necessary conditions can select one or two medium-sized cities for experimental economic system reform.

#### Commentator's Article

HK250226 Beijing RENMIN RIBAO in Chinese 21 May 84 p 1

[Commentator's Article: "Speed Up Comprehensive Urban Reform"]

[Text] Recently, the State Economic System Reform Commission circulated the "minutes of a symposium on experimental economic system reform in selected cities," presenting suggestions on accelerating comprehensive urban reform. This is very important.

The urban economy occupies a decisive position in the national economy. Bringing the role of key cities into better play is an important aspect in the economic system reform. Experimental reform in selected cities, like Chongqing, has proved that successfully carrying out comprehensive reform of the urban economic system is beneficial to developing reform in various units in a coordinated manner in order to advance progress in the reform of the entire economic system; is beneficial to solving the problem of departments being separated from regions and cities from the rural areas, enabling cities to organize production and circulation work, and raising the comprehensive economic results of cities; and is beneficial to enabling cities to gradually become production, circulation, financial, scientific and technological, and information centers. Thus, it will be possible to gradually build various forms of open-type economic zones and economic networks on different scales, at different levels, and centered on large and medium-sized cities. Carrying out the comprehensive reform of the urban economic system well is beneficial to probing the problem of establishing a socialist economic system with Chinese characteristics and enabling China's reform of the economic system to enter a new stage.

At present reform in the rural areas is in the ascendant, the work of expanding the decisionmaking rights of basic-level enterprises and of implementing the economic responsibility system is progressing, 14 coastal cities are implementing the open-door policy on a broader scale, and the tide of world technical revolution is irresistible. In this good situation, it is necessary to further speed up urban reform so as to meet the needs of national economic development and the needs for realizing the strategic task by the end of this century.



Provinces and autonomous regions having the necessary conditions can select one or two cities for experimental reform in order to gain experience, train reform cadres, and promote the progress of the entire economic system reform.

To make a strategic breakthrough in reforming the urban economic system, it is necessary to resolutely implement the principle of opening to the outside world and enlivening the economy. Under the guidance of state plan, it is necessary to focus our attention on bringing into play the initiative of enterprises and their laborers, on smashing all forms of separation and blockades in order to establish a unified socialist market, and on raising social economic results to further promote the national economy.

The crux for successfully carrying out experimental economic system reform in selected cities is to expand the power and responsibility of these cities. The state departments concerned, provinces, and autonomous regions should streamline administration and transfer part of their power and responsibility to cities selected for experimental economic system reform and energetically support cities in doing away with the demarcation between departments and regions and in carrying out economic activities. On the one hand, selected cities should strive for the completion of various tasks assigned by the higher authorities in accordance with state policies and plans, and on the other hand, they should overcome the habit of following the beaten track and use economic methods to boldly carry out reform according to internal economic relationships. They should be aware of not turning cities into new regions which are separated from each other.

To successfully carry out comprehensive economic system reform in selected cities, it is necessary to further emancipate the mind, seek truth from facts, continue probing, work in a practical manner, and unify and enhance our understanding in order to enable reform to progress in a planned way, step by step, vigorously, steadily and healthily.

#### LABOR EXCHANGE SERVICE CENTER ESTABLISHED

HK080418 Beijing CHINA DAILY in English 8 Jun 84 p 1

[Text] In a bid to fully utilize the potential of China's technically trained and highly skilled work force, a service centre for labour exchange has been established in Beijing by the Ministry of Labour and Personnel. A circular to publicize the Talents Exchange and Consultation Centre was recently sent out by the ministry. It spells out the purpose of the centre.

Its main function is to move people from jobs where their talents are not being utilized to places where they are needed. The centre will recruit professionals and technicians to serve as part-time advisers to enterprises. It will act as a co-ordinator in the transfer and borrowing of technicians between units and it will help to provide training to create more skilled professionals.

People who feel that they are not using their talents to the utmost in their present jobs will be allowed to register at the centre, according to the circular. The centre will help these people transfer to units where they can contribute to their fullest extent. Technicians, scientists and other professionals can register to give part-time help, if they have permission from their units.

The centre will also act as a go-between for units which lack skilled personnel to sign contracts with units with a surplus of skilled workers.



The centre is part of the reform movement aimed at changing the inflexible personnel management system. It isn't the first of its kind in China. The Professional Service Corporation in Shenyang, Liaoning Province, and the Talents Exchange Service Centre in Guangdong Province provide similar services.

The circular called for active support from the centre from all concerned departments. The Beijing centre will concentrate on its home area before expanding its service to other regions.

CIRCULAR ISSUED ON COOPERATIVE SYSTEM REFORM

OW251415 Beijing XINHUA Domestic Service in Chinese 0253 CMT 25 May 84

[Text] Beijing, 25 May (XINHUA) -- The Ministry of Labor and Personnel, the State Planning Commission, the State Statistical Bureau and the Ministry of Commerce jointly issued on 1 May a circular on reforming the supply and marketing cooperative's wage structure and statistical method and asked all localities to implement it beginning 1 July 1984.

The circular says: In accordance with the guidelines issued by the CPC Central Committee and the State Council on reforming the supply and marketing cooperative system, the supply and marketing cooperative has been restored as a cooperative commerce collectively owned by the peasants. Accordingly, its wage structure and statistics will be managed in accordance with the system applied to collective ownership. The cooperative's original workers employed under the system of ownership by the whole people will continue enjoying the treatment they have received as "ownership-by-the-whole-people" workers with regard to wage, welfare and job transfer, and they will continue to retain their status as "ownership-by-the-whole-people" workers. Statistically, they should be separated from the totals of "collective-ownership" workers. Workers who are not covered by state plan but who have become key production or administrative members and are required in production and administrative work may be employed as "collective-ownership" workers after evaluation under the principle of selecting the most qualified people for the job. They will be employed under contract system or appointment system. Their registered permanent residence will not be changed. Their source of food grain will not be changed either. They will be dismissed if they are not needed in production or in administrative work or if they are not qualified.

The circular points out: In the future when there is a need to increase the number of workers and the total amount of wages as a result of the development of production and increase of administrative work, the wages of the new workers will be managed in accordance with the "collective-ownership" wage system. With the exception of college and secondary vocational school graduates, all new workers will be employed by contract. The grassroots cooperatives and the county supply and marketing confederations will recruit new workers mainly from the countryside. Workers from the countryside will not change their registered permanent residence or the source of their food grain. After the expiration of the term of contract, they may continue to be employed by extending the contract period, provided their performance is satisfactory and their work is needed. Those whose performance is less than satisfactory or whose work is not needed may be dismissed in accordance with the contract. In other words, they can be dismissed as well as employed.

WUHAN MAYOR DISCUSSES PLANS FOR ECONOMIC REFORM

HK250650 Beijing ZHONGGUO XINWEN SHE in Chinese 0633 GMT 23 May 84

[Text] Beijing, 23 May (ZHONGGUO XINWEN SHE) -- A ZHONGGUO XINWEN SHE reporter has learned from the departments concerned that the State Council recently decided to launch pilot projects in reforming the economic systems of provincial capitals in Wuhan, Hubei Province, and Nanjing, Jiangsu Province. During the Second Session of the Sixth NPC, the reporter interviewed Wu Guangzheng, mayor of Wuhan, and asked him questions concerning the issue.

Wu Guangzheng said that, geographically, Wuhan is situated at the point where east-west communications intersect north-south communications. With the hinterland behind it, it is connected to the coastal areas and it has benefited by the "rivers and lakes." It is a place of great strategic significance, economically speaking. Wuhan's industrial output value ranks fourth in the entire country. Of its population of 6 million, 140,000 are scientific or technical workers. Thus, it can be said to have great potential. Not long ago Premier Zhao said that he "places hopes on Wuhan." With the acceleration of the pace of the urban economic system reform and the success of the pilot project in reform launched in Chongqing, Wuhan's reforms have been scheduled. Wuhan's plans for the development of the national economy and social development will "be given separate listings" [dan lie hu tou -- 0830 0441 2073 7333] under the central departments responsible for the work. In addition, Wuhan's rights to economic management and planning will be correspondingly expanded. This is the "separate listings given to the plans" [ji hua dan lie -- 6060 0493 0830 0441] proposed by Premier Zhao. It is said that in addition to the three municipalities directly under the central government and Chongqing, where a pilot project is being launched, Wuhan is the fifth city which enjoys such "privileges." Thus, it can be said to be a city directly under the central government in an economic sense.

The objective of the reform of Wuhan's economic system is: By carrying out reforms and opening it to the world, to turn it into the biggest domestic and foreign trade center of the mainland as well as one of the biggest inland ports in the world. The tentative plan proposed: with circulation and communications as the starting point, to gradually and correspondingly set up information, financial, scientific research, and technological service centers and to put an end to the disunity between the departments and regions at different levels and between the urban and rural areas in order to make Wuhan's economic network an open one.

Wu Guangzheng said: Since more than half of Wuhan's fixed assets are industrial enterprises under the central authorities, thus there is the problem of readjusting and combining them. In history, Wuhan was once a commercial port for inland international trade. It is known to the world as "Chicago of the Orient." At present Wuhan is still a communications center with an annual volume of freight traffic of 70 million tons. However, there are only three shipping companies with ships going to Japan, Hong Kong, Macao, and Southeast Asia. Thus, there is an urgent need to build a larger fleet of ships.

Wu Guangzheng revealed, starting from 2 June, a "symposium on the strategic development of Wuhan" chaired by Huan Xiang, a noted economist, will be held in Wuhan. Several dozens of economists will attend the symposium in order to discuss the strategy for the economic development of Wuhan.

Finally, Wu Guangzheng said that foreign businessmen were welcomed to Wuhan to conduct surveys, to hold talks, and to invest money in building a large international airport.

TONG DALIN ON ROLE OF SCIENCE IN ECONOMIC REFORM

HK240852 Beijing RENMIN RIBAO in Chinese 21 May 84 p 4

[Report: "Tong Dalin Addresses National Forum on Reforming Science and Technology System"]

[Text] Tong Dalin, vice minister of the State Commission for restructuring the economic system, pointed out at the national forum on reforming the science and technology system on 19 May that promoting progress in science and technology and depending on progress in science and technology is an important part of the current reform of the economic system. Tong Dalin said economic take-off depends on two wings: One of them is advanced science and technology and the other is an advanced system. One important aspect of this advanced system is that it promotes progress in science and technology and also depends on progress in science and technology. In the government work report made at the Second Session of the Sixth NPC, Premier Zhao Ziyang presented the idea that systemic reform is one of the two major things in future economic work. At present the reform of the economic system has extended from the rural areas to cities and the situation is very gratifying. Comrade Zhao Ziyang once pointed out that quadrupling the value of gross output depends, to a very great extent, on progress in science and technology, but one major setback in the economic system of our country is that we do not pay attention to, and do not depend on progress in science and technology. He held that in order to thoroughly solve problems in the economy and in science and technology and to firmly base the national economy on progress in science and technology, the following problems, as far as economic reform is concerned, must be studied and solved at present: 1) In economic and social development plans great attention must be paid to the new situation of contemporary developments in science and technology and the emergence of industries involving high technology and progress in science and technology must be treated as an organic part of the economic strategy, long-term and immediate plans. 2) In formulating major economic policies, scientific verification by scientists, including social scientists, is indispensable. Policy decisions must be made with the participation of a brain trust formed by scientists. Moreover, this procedure for making policy decisions should become a rule and should be guaranteed by legal means. 3) The training and use of scientific and technological personnel should form an important part of the reform of the economic system. The work of modernization needs a contingent of laborers with knowledge, including various specialists; cadres with knowledge; and workers, peasants, and soldiers with knowledge. It is necessary to understand that this contingent of laborers are representatives and developers of the new productive forces. It is necessary to change the traditional concept of regarding scientific and technological personnel as "nonproductive personnel." It is necessary to create in enterprises an environment which attracts scientific and technological personnel. Increasing the percentage of laborers with knowledge, among the workers and staff members, should be regarded as the most important thing in improving the quality of enterprises. 4) Enterprises should shift from a pure production type to an operation-scientific research type. Modern, large enterprises cannot be run without science and technology and progress in science and technology should become an important motive force advancing enterprises. Scientific research should run through the whole process of development of products, production, and sale. 5) It is necessary to set up a new alliance of economy, science and technology, and education and to develop various forms of cooperation and combination among economy, science and technology, and education. Cities, areas, scientific research units, and institutes of high education should gradually establish relations of stable, overall, and long-term cooperation and unified strategic plans should be made to coordinate the development and interests of the related parties. 6) It is necessary to readjust the economic policies and to give preferential treatment and support to science and technology by means of measures in credits, taxation, pricing, and marketing so that scientific and technological achievements can be applied to industrial production as soon as possible.



FUJIAN DISCIPLINE COMMISSION CIRCULAR ON REFORM

OW071423 Fuzhou Fujian Provincial Service in Mandarin 1150 GMT 5 Jun 84

[Text] The Xiamen Industrial and Commercial Administration, under the supervision of the Xiamen Municipal Discipline Inspection Commission, and with its assistance, has achieved satisfactory successes in eradicating the influence of leftist ideas and in efficiently handling special projects.

Not long ago, the Fujian provincial Discipline Inspection Commission issued a circular calling on all industrial and commercial administrative departments in Fujian to follow the example set by their counterparts in Xiamen, emancipate their minds and carry out reform boldly, and combat all types of difficulties so that commodity circulation can be enlivened.

The circular says: Last January, the China Corporation for the Exhibition and Marketing of Agricultural Goods of Reclamation Farms and the Fujian and Fuzhou agricultural, industrial, and commercial corporations signed an agreement on setting up a jointly operated center in Xiamen for displaying and marketing agricultural goods. In February, the Xiamen Municipal Government instructed the municipal Industrial and Commercial Bureau to issue the center a business license, but after 2 months the bureau still had not begun to process the case. Because of this, the bureau was sternly criticized by Xiamen's leading authorities. Under the supervision of the municipal Discipline Inspection Commission, and with its assistance, the leading party group of the Xiamen Industrial and Commercial Bureau decided to emancipate its mind and bravely carried out reform. In an effort to combat the traditional operational attitude typical of a bureaucratic department, the bureau promptly completed a plan on simplifying the procedures of examination and approval, broadened the scope and manner of its operation, and reformed a whole series of other operational procedures. This has significantly improved its efficiency. Not long ago, the bureau completed the task of registering and licensing 28 newly established corporations within 10 days.

The provincial Discipline Inspection Commission says in its circular: Party organizations at all levels must display the spirit of rectifying the party organizations in eradicating the influence of leftist ideas and must do away with the bad habits of following the beaten track.

The circular stressed: Discipline inspection commissions at all levels must actively support and protect reform, pay attention to investigating and correcting those erroneous acts of obstructing reform, and investigate the responsibilities of those whose cases are serious.

JIANGSU MILITARY DISTRICT HOLDS SYMPOSIUM

OW072236 Nanjing Jiangsu Provincial Service in Mandarin 1100 GMT 6 Jun 84

[Text] The Jiangsu Provincial Military District held a symposium on 6 June. The symposium was attended by responsible comrades stationed at 11 institutions of higher learning in Nanjing and heads of the Armed Forces departments of the Military District. The meeting discussed issues regarding the implementation of the military service law, the military training of college students, and the educating of reserve military officers. (Wang Tailan), chief of staff of the provincial Military District, presided over the meeting. Zhen Shen, commander of the provincial Military District; Deputy Commander (Liu Kuidi); and Advisor (Lin Youshen) attended and spoke at the meeting.



GUANGXI'S QIAO XIAOGUANG DISCUSSES ECONOMY

HK080257 Nanning Guangxi Regional Service in Mandarin 1130 GMT 7 Jun 84

[Text] Regional CPC Committee First Secretary Qiao Xiaoguang spoke at the regional economic work conference yesterday, putting forward measures for vigorously developing Guangxi's economy. He said: In order to vigorously develop the region's economy, we must clear away leftist influences, resolutely carry out reforms, and open up to the world.

Speaking on the question of economic reform, Comrade Qiao Xiaoguang emphasized: For a long time, under the bindings of leftist ideology, certain specific management methods of capitalism were negated without being analyzed, and the egalitarian practice of having everybody eat out of the same big pot was regarded as the socialist distribution principle. Administrative measures were inappropriately used to manage the economy. As a result economic development in Guangxi was seriously affected. We must emancipate our minds, break leftist ideological shackles, and carry out synchronous reforms in the urban and rural economic foundation and in all fields of the superstructure.

On the question of enlivening the region's rural economy, Comrade Qiao Xiaoguang pointed out: We must set up a complete service system to satisfy the peasant's demands in technology, capital, supply and marketing, processing, storage and transport, information, and management methods. State-owned enterprises and large collective enterprises can engage in joint cooperative operations with rural specialized households, economic combines, specialized villages, and township enterprises, and diffuse labor-intensive processing work. The government must help the rural specialized households, economic combines, specialized villages, and township enterprises to hire specialized cadres and workers from within and outside their district, retaining their original jobs and salaries, to open up new ways of getting rich in the rural areas. In commercial work, it is necessary to break down boundaries between different areas: state-owned, collective, and individual economic units can all engage in wholesale trade. Small state-owned commercial enterprises can be switched to collective contracting or hired out to individuals to operate. The supply and marketing cooperative setup must be changed from being run by officials to being run by the people. It can be turned into cooperative commerce under the collective ownership of the peasant masses.

On the question of opening up to the world, Comrade Qiao Xiaoguang said: The regional CPC Committee and government attach great importance to the economic development work of Beihai City, including Fangcheng port. The whole region must support Beihai City, and Beihai City can lead the whole region forward. Apart from providing favored treatment for foreign businessmen investing in Beihai, we also welcome investment from all provinces, municipalities, and autonomous regions in China. We should build Beihai City as rapidly as possible into a window of technology, management, knowledge, and an open-door policy.

Comrade Qiao Xiaoguang also said: The interior of Guangxi can institute a number of policies that have proven effective in the special economic zones, for instance, the system of tendering and contracting capital construction projects, the contract labor employment system, the system of hiring management and technical personnel, floating wages, and management responsibility systems.

Before the meeting, Comrade Qiao Xiaoguang went to Guizhou, Chongqing, Hubei, and Hunan to investigate economic policies there.

SICHUAN PLA COMMITTEE STUDIES PARTY RECTIFICATION

HK070347 Chengdu SICHUAN RIBAO in Chinese 25 May 84 p 1

[Report: "Totally Negate the 'Cultural Revolution,' Reevaluate 'Three-Support and Two-Military' Work"]

[Text] During its party rectification studies, the CPC Committee of Sichuan Military District has taken the lead in eliminating "leftist" influences, reevaluated "three-support and two-military work, totally negated the "Great Cultural Revolution," uprooted factionalism, strengthened party spirit, unified thinking, strengthened unity, and further promoted the revolutionization, regularization, and modernization of the PLA units.

With one exception, all members of the Sichuan Military District CPC Committee took part in "three-support and two-military work. In order to deepen understanding of the important speech of a leading comrade of the Central Military Commission on the necessity of totally negating the "Cultural Revolution," the members of the CPC Committee, in their party rectification studies, have focused on studying the "Resolution on a Number of Questions in the History of the Party Since the Founding of the State," and the RENMIN RIBAO commentator's article entitled "It Is Precisely Necessary To Totally Negate the Cultural Revolution." They have spoken on their understanding of these in close connection with their experiences while carrying out "three-support and two-military" work during the "Cultural Revolution." The several principal leading members of the CPC Committee all said: In the past we lacked correct understanding of Comrade Deng Xiaoping's two statements on "three-support and two-military" work -- one, that it had played a positive role, and two, that it had done very great harm. We focused on the positive role of this work and lacked sufficient understanding of its negative consequences. The fundamental reason for this was that we had the idea of "face," and were afraid of negating ourselves. We should now take the lead in summing up experience and lessons regarding the second statement, strictly analyze ourselves, and truly understand in the depths of our minds that all local factions emerged under the guidance of the erroneous theory of so-called "continuing the revolution under the dictatorship of the proletariat," and carried out their activities in accordance with the erroneous political idea of "one class overthrowing another." Hence, no matter which faction the Army supported in "three-support and two-military work," it was wrong.

Everyone then proceeded to cite the following four serious after-effects of "three-support and two-military" work: 1) It harmed Army-government and Army-people unity, with the result that even today some districts and individuals still have objections to the Army, and it harmed the image of the Army among the masses. 2) It brought factionalism into the PLA units, and even today the malignancy of factionalism has still not been eliminated among certain cadres who have lost their sense of principle, regard their faction alone as close to them, draw demarcation lines according to individuals and factions, enthusiastically engage in contacts and liaisons at upper and lower levels, and regard comrades whose views differ from their own as enemies. 3) From society the Army learned how to engage in malpractices; some people use their powers in pursuit of private interests and rig up networks of relationships, some have lax organizational discipline and are seriously affected by anarchism, and some even violate law and discipline. 4) The thinking of the cadres and fighters was thrown into confusion.

Through study, the CPC Committee of the Military District put forward three views on further solving this problem. 1) The CPC Committee members must take the lead in reevaluating "three-support and two-military" work and in totally negating the "Cultural Revolution," to set a good example for the units.

In addition the situation of the CPC Committee's study should be reported to the party committees at and above regimental-level in the Military District, so that they can all supervise the study. 2) Among the party committees at and above regimental-level in the Military District, education should be conducted in reevaluating "three-support and two-military" work and in totally negating the "Cultural Revolution," to first unify the thinking of the cadres at and above regimental-level. 3) Carry out an examination of the cadres in the leadership groups. It is necessary to conduct strict criticism and education of those still engaged in factional activities. Certain people with serious factionalism who use "rebels" to interfere in the work of the units must be dealt with severely, after the facts have been clarified.

#### SICHUAN MEETS ON BRINGING INTELLECTUALS INTO CPC

HK080341 Chengdu Sichuan Provincial Service in Mandarin 0030 GMT 8 Jun 84

[Excerpts] According to SICHUAN RIBAO, on 5 June the Organization and Propaganda Departments of the provincial CPC Committee and the CPC Committee of the provincial organs jointly held a symposium on recruiting intellectuals into the party. The forum was held in the provincial people's hospital. Leading comrades of the Organization and Propaganda Departments of the provincial CPC Committee and the CPC Committee of the provincial organs spoke at the meeting. They pointed out: Not only must party committee secretaries attach importance to recruiting intellectual party members; the organization, personnel, and other departments concerned must also closely coordinate their efforts. The party organizations at all levels must regard this as a regular task.

They demanded that all units regard the solution of difficulties of intellectuals in joining the party as one of the contents of simultaneous rectification and correction of defects and of checking on the implementation of policies on intellectuals, and achieve a new breakthrough in recruiting intellectuals into the party.

#### YUNNAN MEASURES ON SPECIALIZED, MAJOR HOUSEHOLDS

HK080001 Kunming Yunnan Provincial Service in Mandarin 2300 GMT 5 Jun 84

[Text] On 28 May, the Yunnan Provincial CPC Committee and the Yunnan Provincial People's Government issued regulations concerning policies on giving a free hand in developing specialized households and major households and in promoting the development of commodity production. The regulations state: Specialized households and major households are backbone forces in rural areas to develop commodity production and are forerunners of the peasants in getting rich together. CPC committees and governments at all levels must continue to eliminate leftist influence, further emancipate the mind, relax policies, give a free hand in developing specialized households and major households, and encourage peasants to get rich through hard work. The regulations of the provincial CPC Committee and the provincial government are divided into 12 articles, whose main points are:

1. Specialized households and major households are encouraged to leave their hometowns to engage in trades other than agricultural production with their registered permanent residence still remaining in rural areas, to bring their grain rations along with them, and to settle in towns to engage in industry, commerce, processing trades, repairing of houses, the repair trade, and all service trades. Urban residents are allowed to go to rural areas to cooperate with peasants in production with their registered permanent residence remaining in urban areas. Specialized households and major households engaged in breeding are encouraged to go to urban areas to set up stalls for business.
2. To promote production to meet social needs and to promote specialized production, it is necessary to advocate contracting for specialized production and to encourage and support the gradual shifting of farmland into the hands of those adept at farming.
3. To promote the development of commodity production, capital, technology, and labor forces must be allowed to flow freely without limitations by the prefectures or the provinces.



4. We must not only continue to develop specialized households and major households in farming and the breeding trade but also vigorously develop specialized households and major households in processing trades, commerce, transportation, and all services so that production, processing, and circulation can develop in an all-round way.
5. Where the state must procure all products of major households, the contracts for the procurement of agricultural and sideline products, for the supply of the means of production, and for the issuing of deposits for procurement must be signed. Those who tear up a contract at will and cause economic losses to the other party must be dealt with in accordance with the law on contracts.
6. No separate taxes will be imposed on specialized households and major households and no additional taxes will be imposed on specialized households and major households engaged in breeding. In 5 years from 1984, no increased taxes will be imposed on any specialized households and major households in poor border areas and mountain areas which engage in breeding, processing, repairs, transport, commerce, services, and [words indistinct].
7. It is necessary to strengthen leadership over development projects. Under the premise of not damaging state natural resources, after approval, two households or combined households are allowed to carry out development projects, to set up small mines for extraction, and to build small county hydroelectric power stations. Those who contract for the running of barren mountains, uncultivated slopes, beaches, and rivers to carry out development projects and who encounter difficulties, can apply for loans. The period of contracting for the running of commercial forests, including fruit trees, can be extended 20, 30, or 40 years. The contract period for the production of timber forests in barren mountainous areas can be extended to 50 years and there are inheritance rights. During the contract period, the transfer of forests in monetary terms is allowed. There is no assigned procurement of aquatic products bred in uncultivated rivers developed by specialized households and major households.
8. It is imperative to develop specialized households in the purchase and sale of agricultural and sideline products and in transport. They are encouraged to go to poor mountainous areas and border areas of minority nationalities to engage in long-distance transport, in purchasing, and in sales. It is necessary to break the demarcation lines of the provinces, prefectures, and counties and allow them to engage in the long-distance transport of goods for sale. We must restore and develop the transport of goods carried by a train of horses and cattle. Transportation expenses will be fixed through negotiations between the consignees and consignors.
9. Specialized households or combined households are encouraged to invest in the trades of foodstuffs, fodder, construction, building materials, and processing of agricultural and sideline products and in raising funds to build warehouses and cold storage and other facilities.
10. Specialized households and major households must be provided with social services in many aspects, to promote the division of work in specific fields and to meet their needs in technology, credit, information, supply, marketing, and transport.
11. Specialized households are encouraged to embark on social public welfare work. Whoever does it will reap the profit.
12. The lawful rights and interests of specialized households and major households must be protected by state law.

In conclusion, the regulations of the provincial CPC Committee and the provincial government say: Where the regulations of any bureau, department, or city and the spirit of these articles conflict, the provisions of these articles and Document No 25/1984 of the provincial CPC Committee must be enforced.



HEBEI MEETING ON 'SPIRITUAL CIVILIZATION' HELD

HK060343 Shijiazhuang Hebei Provincial Service in Mandarin 0430 GMT 29 May 84

[Excerpts] A symposium on the shared building of spiritual civilization by Army and people, jointly convened by PLA Unit 51034 and the Baoding Prefectural CPC Committee, opened in Baoding this morning. Present at the opening ceremony were Wang Keqing, deputy director of the mass work department of the PLA General Political Department; Qu Jingji, deputy political commissar of the Beijing PLA units; Xing Chongzhi, secretary of the Hebei provincial CPC Committee; Xu Chunxing, member of the Standing Committee of the committee and director of the Propaganda Department; and (Li Lianxiu), commander, and (Jiang Guozheng) and (Wang Fuyi), deputy political commissars of PLA Unit 51034. Present were responsible persons of the mass work departments of the Navy and Air Force, of Army-level units subordinate to the Beijing PLA units, departments concerned of field armies, units at and above regimental-level of Unit 51034, of the propaganda departments of prefectural and city CPC committees, and of a number of county CPC committees. (Zhang Mingchun), director of the Political Department of PLA Unit 51034, declared the meeting open at 0730.

GAO YANG URGES DEVELOPING HEBEI RURAL INDUSTRIES

HK060329 Shijiazhuang Hebei Provincial Service in Mandarin 0430 GMT 25 May 84

[Excerpts] According to HEBEI RIBAO, from 13 to 22 May, provincial CPC Committee First Secretary Gao Yang toured Lixian, Gaoyang, Zhuoxian, Xincheng, and Xushui Counties and Baoding City to investigate the state of industries being operated by counties, townships, and villages, visit specialized households and economic combines, and view specialized markets. He held chats with many cadres at all levels. On the basis of the investigation and study, he spoke on developing county, township, and village industry at a meeting of responsible comrades of cities, prefectures, and counties in Baoding on 23 May.

Comrade Gao Yang said: Like that of the whole country, industry in our province is facing a new situation of development, formation of joint combines, and reorganization. Some industrial enterprises may be eliminated. In this situation, county, township, and village industries are exploring new measures for survival and development. It will be very dangerous if our thinking is conservative, and if we go on sticking to old ways and deal with the many changes by making no change at all. Profits might turn to losses, and products might be unsellable. In that case elimination would be unavoidable. In the future, generally speaking enterprises are forbidden to continue to exist through subsidies.

Within a county, if people fail to adopt a positive approach and develop new trades and products, thus letting the golden opportunity slip, the scale and speed of economic development are bound to be affected, as will also be the growth of financial revenue.

On the status of county, township, and village industry, Comrade Gao Yang made a specific analysis. He said: Large industrial enterprises organize production according to state plans. Generally speaking their product quality is high, production costs are low, and they produce goods in large quantities. Market conditions do not much affect them. They will continue to develop in the future. Domestic handicrafts are just unfolding. Under the guidance of party policy, division of work and trades is constantly developing. In addition we are just embarking on a path of gradual combination of different trades. Since domestic handicrafts absorb surplus rural manpower and manpower-time, their products are cheap and production costs are low. They meet market needs, and have great development prospects.

County, township, and village industries lie midway between large industries and domestic handicrafts. Although they lack the superior conditions of those two, they have great flexibility and possess a certain degree of mechanization and technological force. They maintain cooperative relations with scientific research units and institutes of higher education. A few of their products have already been included in the state plans. These industries can produce a great variety of products that large industrial enterprises do not want to produce and domestic handicrafts are unable to turn out. The state needs them, and the masses need them. Taking the overall view, they have very great vitality. Hence, every country must devote some effort to county, township, and village industries, seriously investigate and study the situation, get a clear idea of their current state and development prospects, arrange things in order of priority, and decide on specific measures for the existing enterprises to survive and develop. In addition, in light of the country's situation in resources and manpower and its links with outside, full use should be made of favorable proximity to large cities to get hold of information, employ large numbers of able people, seek advice from experts, and decide on the development of new trades and products.

Comrade Gao Yang said: In the second half of 1982, we proposed that county CPC committee secretaries should pay attention to getting a grip on industry. In the new situation facing us now, it is not enough just to get a grip on industry; it is also necessary to be able to get a grip on it and manage it. By thoroughly studying the problems in medium and small industrial enterprises, we will be able to improve our standard of leadership.

On the question of developing industry and increasing financial revenue, Comrade Gao Yang said: Tax is the main source of financial revenue at the county level. At present, township and village industries and domestic handicrafts are developing very fast, and there are extensive tax resources. However, due to the failure of our work to keep abreast of events, we have not collected the taxes we should have, with the result that counties still face great financial difficulties. The development of the economy, culture, education, and so on is affected by lack of sufficient capital. Hence, the county CPC committees must spur the county governments to further strengthen tax collection work. This is an urgent task.

While fully affirming the great improvements in the cadre force as a result of rectification in ideology, work style, and organization in the past 2 years, Comrade Gao Yang stressed: At present the phenomena of lax discipline, irresponsibility in work, and procrastination in dealing with things still exist. He demanded that city and county meetings be few and brief and that documents issued few and short.

#### NEI MONGGOL GROUPS UNIFIED IN RECTIFICATION

HK070702 Beijing RENMIN RIBAO in Chinese 31 May 84 pp 1, 4

[Report: "Organizations Directly Under Nei Monggol Regional Authorities Unify Thinking, Strengthen Unity in the Course of Party Rectification"]

[Text] Editor's note: In the course of the current party rectification, organizations directly under Nei Monggol regional authorities have witnessed encouraging changes in the ideological understanding and work style of their party member cadres since they have thoroughly negated the "Cultural Revolution" and have further eliminated "leftist" influence. All these cadres are working hard to rejuvenate China.

Our party is a glorious, correct, and great one which enjoys extremely high prestige among the masses of people. In the 1950's, the masses' sincerity and enthusiasm in supporting our party were really moving.

Although the masses have continued to support our party after the Great Leap Forward," and particularly after the "Great Cultural Revolution," they no longer really believe in the party as a glorious, correct, and great one, they used to be. We must convince the people through the current party rectification that our state and the people are striving hard to rejuvenate China and make it prosperous. Also, through the party rectification, we must make everybody feel proud to be a citizen of the PRC. Therefore, in the party rectification, we must keep in line with the CPC Central Committee politically and ideologically so as to push ahead the reform and to create a new situation in every field; and we must thoroughly weed out "people of three categories" and their supporters behind the scenes, and check factionalism, bureaucracy, and all unhealthy tendencies. If we can do so, the masses of people will be really convinced that our party is a glorious, correct, and great one. [end editor's note]

Having been undergoing party rectification for 5 months, the organizations directly under the Nei Monggol regional authorities, and first of all the leading bodies of the regional party and government setups, have achieved initial success in concentrating their attention on major problems, unifying thinking, and correcting defects while carrying out party rectification.

#### Thoroughly Negate the "Cultural Revolution" and Further Eliminate "Leftist" Influence

In the course of the party rectification, the regional CPC committee found that some party member cadres, though agreeing in words that it is necessary to thoroughly negate the "Cultural Revolution," continued to consider specific questions with a "leftist" perspective or from factionalist viewpoints that they had been used to in the "Cultural Revolution." Some of these party member cadres even took an offensive stance and were ready to get even with those who had criticized them. The regional CPC committee holds that in order to make party member cadres stay in line with the CPC Central Committee politically and ideologically, it is necessary to thoroughly negate the "Great Cultural Revolution" in terms of ideological understanding. For this reason, the regional CPC committee has organized the vast number of party member cadres, particularly leading cadres at and above the departmental and bureau levels, to conscientiously study the CPC Central Committee's decision on party rectification and the "Resolution on Certain Questions in the History of Our Party Since the Founding of the PRC," and to draw lessons from past experience so as to enhance their understanding. Everyone has realized that the "Great Cultural Revolution" was erroneous, theoretically or practically; that it was a disaster from which all nationalities have suffered equally heavily and it is wrong to say that a certain nationality oppressed another. The "three major unjust cases" did actually occur in Nei Monggol region during the "Cultural Revolution" and it was correct to reverse these unjust cases. Generally speaking, all the factions emerging during the "Cultural Revolution" were directed by the pernicious and erroneous "leftist" theory and ideology, and one cannot judge which individual was correct and which was wrong simply based on the fact that the former was a supporter of, while the latter was against, a certain specific faction during the "Cultural Revolution." In this way, the regional CPC committee has geared the cadres understanding to the line, principles, and policies adopted by the party since the 3d Plenary Session of the 11th CPC Central Committee. Many comrades said that they had finally reached a correct understanding of some long-standing questions through the study in the party rectification.

In the past few years, the regional CPC committee and government have done a great deal of work in implementing the party's nationality policy and other policies.



However, what they have done is still far from fulfilling the requirements and expectations of the CPC Central Committee and the people of all nationalities. And, in particular, they have failed to make great progress and to achieve satisfactory results in reforming the urban economy. The major reason for their failure was their continuing lack of great initiative in following Comrade Deng Xiaoping's guiding ideology for building socialism with Chinese characteristics and their not daring to go all out to carry through their actual work, being fettered by "leftist" influence. In the party rectification, the regional CPC committee has organized leading cadres at and above the departmental and bureau levels to examine the implementation of the party's policies. For example, the agriculture, animal husbandry, and fishery department took real action to clear away the influence of "leftist" thinking, in view of the fact that in the past the bureau had concentrated its attention solely on spring sowing, autumn harvesting, popularization of techniques, and improvement of breeds of animals, but failed to pay attention to the implementation of the responsibility system for production, and that the understanding of the staff of the bureau had lagged behind the progress of the reform in animal husbandry in rural areas. While implementing the central document No 1, they have further implemented and improved the all-round contract system and various policies aimed at developing commodity production in rural and pastoral areas. The regional united front work department, the region's research institute of culture and history, and other units have also carried out rectification and correction of defects to deal with the issue of failure to thoroughly implement the policy on united front work. Recently, the research institute of culture and history distributed 85 percent of available new houses among patriotic and nonparty personages.

#### Unity Among Cadres of Different Nationalities Has Been Strengthened

With the purpose of solving practical problems and adhering to the principle of drawing a lesson from historical experience and avoiding endless quibbling over historical issues, the vast number of party members and party member cadres of the organizations directly under the Nei Monggol Autonomous Regional authorities have extensively launched heart-to-heart talks among themselves. In line with the principle of criticism and self-criticism, and basically with the principle of self-criticism, they have reached a common understanding on how to handle correctly relations between different nationalities and on certain major historical issues of the Nei Monggol region.

The important directives by the CPC central authorities in 1981 on the work in Nei Monggol Autonomous Region, in particular the guideline affirming that "no nationality can go without the others," are completely correct. The three principles put forth by the regional CPC committee are completely correct, stipulating that it is necessary to "avoid rashness, oversimplification, and the practice of accommodating to all demands indiscriminately" when dealing with problems concerning nationalities. It is necessary to resolutely criticize any words or deeds spreading factionalism, violating the policy toward nationalities, and which are unfavorable to unity between nationalities, no matter who of whatever nationality utters such words or does such deeds. Based on an enhanced understanding, leading party member cadres of all nationalities must take the initiative in promoting unity. Comrade Tian Congming, member and secretary general of the Standing Committee of the regional CPC Committee, has already visited the translation office and has had heart-to-heart talks with comrades of Monggol nationality there, solicited opinions from among them, and thus built closer relations among comrades.

There were in the past differences of views regarding the work of nationality education among some comrades of the regional education department.



Through exchanges of views in the course of the party rectification, ambiguity in understanding was removed and an atmosphere of unity favorable to the development of nationality education has been built.

Party Style Has Been Further Rectified as Major and Important Cases Have Been Solved and Simultaneous Party Rectification and Correction of Defects Have Been Carried Out

In the past few months, the regional CPC committee concentrated its attention on several cases that had aroused strongest reaction among the masses. Among these were the case of Wang Chongshan, former deputy director of the public security bureau of Wuhai City, who made use of his power to forge evidence, with the aim of harboring his son who had committed serious crimes; and the case of Luo Zhenqi, former head of the student recruitment office of the regional education department, who set a lower bar for admission without authorization and deliberately created trouble.

The regional CPC committee handled these cases seriously, thereby made a breakthrough in the effort toward simultaneous rectification and correction of defects, and conscientiously rectified the malpractice of seeking personal interests by making use of one's power. The regional CPC committee also seriously handled a major case of corruption and stealing which was a result of the dereliction of duty of the former leading body of the Baotou passenger transport section of the Hohhot railway bureau. By doing so, the regional CPC committee showed the vast number of party members the necessity of opposing bureaucracy as a source of lack of responsibility to the party and the people.

Along with other departments concerned, the CPC committees of the organizations directly under the regional authorities investigated and handled the cases of party member cadres at and above section level who had occupied more or larger houses than their due shares. The results of the investigations showed that 571 cadres at and above the section level had occupied more or larger houses, and the excess amount of residential area amounted to 12,350 square meters. Now, the cases of 548 people among them, or 96 percent of them, have already been properly handled. By taking real action and correcting defects in the course of the party rectification, the organizations directly under the regional authorities have strengthened the confidence of the people of all nationalities in the party rectification and have given a strong impetus to the improvement of ideological understanding and work style of leading cadres at all levels.

The Party Rectification Has Speeded Up the Progress of Various Reforms

Nei Monggol Autonomous Region has done something with regard to the reforms in various fields. Namely, the region has put forth a 10-point proposal on the economic reform in cities and towns and has drawn up the regulations, comprising 7 provisions, governing the development of commodity production in rural and pastoral areas. In addition, the regional CPC committee has also worked out, in cooperation with departments concerned, preliminary proposals on the measures to be taken by financial departments in encouraging reform in enterprises in cities and towns and the measures to be taken by the autonomous region in further implementing the open-door policy and special economic policies.

Through investigations and studies, some departments, committees, and bureaus of the organizations directly under the regional authorities have put forth their tentative plans for reform in light of the actual circumstances in their own units. Party members and party member cadres of many units have pledged to further cast off the yoke of conservative thinking, to bring the reforming and pioneer spirit into full play, and to make their contributions toward changing the backward state of the economy in the region.

ZHOU HUI ON REFORM OF NEI MONGGOL POSTAL WORK

SK070441 Hohhot Nei Monggol Regional Service in Mandarin 2300 GMT 6 Jun 84

[Text] Recently, while speaking on the experience of the Bairin Right Banner Post and Telecommunications Bureau in contracting the postal work to peasants, Zhou Hui, first secretary of the regional CPC Committee, stressed the necessity to accelerate the urban economic reform and to carry out reforms at industrial, communications, post, telecommunications and commercial departments. On 27 May, Comrade Zhou Hui heard the broadcast on the Bairin Right Banner Post and Telecommunications Bureau's experiences in breaking with its outmoded conventions of monopolizing the postal and telecommunications service and in contracting postal work to peasants. After this, he convened two meetings of comrades of journalist units and the regional post and telecommunications bureau in order to acquire detailed knowledge of the situation.

Comrade Zhou Hui said: This kind of reform is of great significance. Through this reform, the long-existing situation in which post and telecommunications departments monopolized the service has been eliminated and better economic and social efficiency has been effected. It is no good if everything is operated by official bodies. In the past, when post and telecommunications departments were monopolizing the service, it was common for letters, newspapers, and periodicals not to be delivered to remote and border areas in a timely manner. After the reform, the postal route of the Bairin Right Banner Post and Telecommunications Bureau has increased, the postal delivery period shortened, its expenditure cut down, the number subscribers of newspapers and periodicals increased, and the service to the masses has been improved. Such a beneficial reform is worth popularizing. The monopoly of service should be eliminated not only at post and telecommunications departments, but also at other departments. Only when the monopoly is eliminated, the enthusiasm in all fields can be fully aroused and the reform of various trades can proceed well.

Comrade Zhou Hui pointed out: Our reform should be carried out around the goal of being conducive to building a Chinese-type socialism, to vitalizing and flourishing our country, and to satisfying the people's needs. Over the past few years, thanks to the institution of the contract system, the rural economic situation has become better and better. Now a good tendency has also emerged in the urban economic reform. At present, carrying out economic reform has become the regular practice in our region's urban areas. All professions and trades should accelerate the pace of reform. Comrade Zhou Hui said: Practice is the sole criterion for testing truth. Viewed from the practice of instituting the rural contract system and the urban economic reform, we can see that the reform is the general trend of China, and bears on the success or failure of the four modernizations. Without reform, there will be no way out for us. Only by carrying out reform can we make progress.

Comrade Zhou Hui said: In carrying out reform, we must emancipate the mind and have the courage to break with the old and outmoded regulations and rules. All the outmoded methods which hamper the development of productivity should be reformed. In carrying out reform all professions and trades should learn from the exemplary cases. When there is a good exemplary case, we should expeditiously sum up and popularize its experiences. By so doing, the pace of reform will be accelerated and the results will be even better.

NEI MONGGOL OFFICIAL ON WORK OF PEOPLE'S COURTS

SK060744 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 5 Jun 84

[Text] While making the work report of the regional Higher People's Court at the second session of the sixth regional People's Congress, Yang Dalai, president of the regional Higher People's Court, pointed out:

Over the past year, people's courts at all levels across the region have given full play to the functions of judicial organs in dealing blows to those who oppose the people, in punishing criminals and in protecting the people and have scored remarkable achievements in all fields of work and particularly in the campaign against serious crimes.

Yang Dalai first spoke on the campaign against serious crimes conducted since August last year. He said: In this campaign, judicial organs have acted promptly, given prominence to major cases, dealt effective blows to crimes, and have closely cooperated with public security organs, procuratorial organs, and people's courts to impose prompt and severe punishment according to law on a number of murderers, rapists, robbers, professional thieves, those who abducted and sold women, and those who seriously jeopardized public security. As a result, the criminals have been frightened, the people have been inspired, and a remarkable turn for the better in social order has been effected. In the first quarter of this year, the incidence of crime dropped by 34.9 percent from the corresponding 1983 period.

Yang Dalai said: During the campaign of dealing strict blows to serious crimes, CPC committees at all levels have strengthened their leadership over the work of people's courts. In trying cases, people's courts at all levels have adhered to seeking truth from facts and strictly followed the law, thus ensuring quality in handling cases. He said: In 1983, people's courts at all levels across the region handled 753 cases of economic irregularities, a 27-percent increase over the previous year, and recovered 1 million yuan worth of economic losses for the state and collectives. At the same time, these people's courts accepted and heard some 1,000 cases of economic disputes and utilized legal means to readjust the economy and safeguard the social economic order. Some people's courts also accepted and heard the cases on economic contract disputes between specialized and key households and legal persons, thus preventing the legal rights and interests of key and specialized households from being encroached upon.

On trying civil cases, Yang Dalai said: Last year, people's courts at all levels across the region accepted and heard more than 20,000 civil cases of various kinds and the quality of handling cases was greatly improved. In protecting the legitimate rights and interests of women and children, people's courts at all levels not only severely punished according to law those criminals who had cruelly injured or killed women and children but also handled more than 10,000 cases in which the legitimate rights and interests of women and children were involved, such as divorce cases, the treatment and inheritance of property after the divorce, and the arrangement of living expenses and alimony after the divorce. Through handling cases, people's courts at all levels extensively conducted education in the legal system, strengthened socialist morality, and increased unity.

#### NEI MONGGOL DENIES FAMILY PLANNING POLICY CHANGE

SK060511 Hohhot Nei Monggol Regional Service in Mandarin 2300 GMT 6 Jun 84

[Text] During the second session of the sixth regional people's congress, Zhao Zhihong, vice chairman of the region, invited some participants in the session to discuss on ways to achieve success in the family planning work.

These participants maintained: The recent instructions of the CPC Central Committee on continually attending to family planning work stress three unchanging principles. First, family planning, which is China's basic policy and a major event that bears on the prosperity and decline of our country will remain unchanged. Second, the fighting goal of controlling China's population under 1.2 billion by the end of this century will remain unchanged. Third, the basic policy of continually encouraging one couple to bear only one child will remain unchanged.



The CPC Central Committee's instructives on family planning also set forth two principles: First, efforts should be made to effectively control the population growth; and, second, efforts should be made to consolidate the relationship between the party and the masses, and promote the stability and unity so as to set a still higher demand on family planning work.

It is sheer rumor that the family planning policy will change, the restrictions on birth control will be relaxed, and one couple will be allowed to bear two children. This rumor must be clarified immediately.

#### COMMODITY PRODUCTION STIPULATIONS IN NEI MONGGOL

SK060707 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 5 Jun 84

[Text] The regional people's government recently issued seven stipulations on developing commodity production in the rural and pastoral areas and on enlivening the economy, which read as follows:

1. Continue to stabilize and improve the output related contract responsibility system. The land contract period may be extended to over 15 years on the basis of the original contract period. Contracts for the use of land may be canceled and the contract land may be recontracted to other people through negotiations. The five kinds of wastelands should be allocated to households to plant trees and grass. The land utilization rights may be inherited or transferred to other people. Active efforts should be made to promote the methods of contracting livestock to other people at reasonable prices, clearly fixing retention proportions, and selling livestock to herdsmen at reasonable prices by installments. The individual, the collective, and the state should exert joint efforts in forestation and family-based operations should be stressed. The state agricultural, livestock, forest and fishing farms orchards, nursery plots, and good-seed breeding farms should institute the staff family contract responsibility system.
2. Support and develop specialized and key households and economic integration. Households engaged in specialized and developmental production may employ assistants and workers and recruit apprentices. Persons with specialized skills are encouraged to contract for specialized jobs in other localities. All trades and professions should give priority to providing market information and material supplies and other services to specialized and key households. On the basis of voluntary participation and mutual benefit, they should sign contracts, which will be protected by law, with these households. The relevant departments should realistically protect the legal rights and benefits of the key and specialized households and of economic integration. No person may abuse his power and position to create difficulties for these households, to deal blows to them, or to extort money from them.
3. Some farm products such as potatoes may be sold through various channels instead of through the former unified procurement and marketing. Assigned and planned procurements is still effective in hog, cattle, and sheep hides and in wool and cashmere procurement. Beef-cattle, mutton-sheep, fresh eggs, and other animal by-products, which were formerly managed as second-category commodities, will be managed as third-category commodities. These products may be purchased and sold through negotiations and various channels. All unrestricted farm and animal products may be sold freely inside and outside the region.
4. Expand market transactions and clear the commodity circulation channels. Supply and marketing cooperatives should be run by the people instead of by government monopoly. The commercial wholesale system should be reformed, and complicated business procedures should be simplified. People will be supported when they engage in the transportation business. Collective and individual transportation businesses should be developed.



5. Develop township enterprises vigorously and strengthen the building of market towns. The state will support and care for their production, supplies, and marketing. Peasants and herdsmen are encouraged to engage in various trades and professions in towns. Market towns should provide places for them and should make things easy for them in starting up their business. The funds, materials, and products of township enterprises may not be transferred indiscriminately so as to protect their legal rights and interests realistically.
6. Strengthen social services, develop socialized service undertakings, and gradually form a fairly complete service system.
7. Develop the economy in impoverished areas vigorously, and actively help impoverished households. Special policies will be adopted to help economically backward areas, impoverished, mountainous old revolutionary bases, outlying districts, and minority areas.

#### ZHOU HUI AT NEI MONGGOL PASTORAL REFORM FORUM

SK060653 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 5 Jun 84

[Excerpts] At the invitation of the regional CPC committee, cadres and herdsmen deputies from the pastoral areas who are attending the second session of the sixth regional people's congress met at a forum on 2 and 4 June to discuss reform in the pastoral areas. At the forum, Zhou Hui, first secretary of the regional CPC committee, said: Only by changing the single nomadic economic situation into various businesses, including grazing sheep and cattle and processing animal by-products and dairy products, can we enable herdsmen to become better-off quickly.

At the forum, Comrade Zhou Hui, first secretary of the regional CPC Committee, asked about the production and livelihood of the herdsmen deputies. He said: Presently, we are in a great transformation period. Giving sincere guidance to reform, the most important is to act in accordance with the actual situation. [sentence indistinct]

#### REPORT ON 1983-84 DEVELOPMENT IN NEI MONGGOL

SK040458 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 2 Jun 84

[Text] At the second session of the Sixth Regional People's Congress, (Tu He) delivered a report on the 1984 economic and social development draft plan. In 1983, our region scored remarkable achievements in economic and social development. These achievements were:

1. Total grain output reached 11.2 billion jin, up 600 million jin over the previous year. Afforestation ranked first in the country for 3 successive years. The total output of oil-bearing crops, vegetables, and meat also reached an all-time high.
2. The region's total industrial output value increased 9.9 percent over the previous year, greatly exceeding the growth demand of the Sixth 5-Year Plan and the national average annual growth of 7.3 percent.
3. We reduced capital construction investment by 58.85 million yuan, basically keeping it at the prescribed state limits.
4. Urban and rural markets were brisk and the retail sales of commodities increased 10.5 percent over the previous year. Market prices were basically stable.

5. Financial revenue increased greatly, reaching 690 million yuan, up 170 million yuan over the previous year.

6. Further improvements were made in scientific and technological, educational, cultural, public health, and sports undertakings. The region succeeded in 84 scientific and technological research achievements. The enrollment at regular institutions of higher learning and regular secondary vocational schools increased to 4,374 persons. The enrollment of higher educational institutes for adults doubled that of the previous year.

7. Further improvements were made in the livelihood of the urban and rural people. In 1983, the average annual per-capita net income of peasants was 294 yuan, and that of herdsmen, 531 yuan. The wages of workers increased 4.4 percent on the average. Some 180,000 jobless youths in cities and towns were provided with jobs. Some 9.74 million square meters of residential houses for staff members and workers and peasants were constructed.

At the above congress session, Comrade (Tu He) set forth the main tasks for the region's 1984 economic and social development: While attending to rural reforms, we should expedite the reform of the urban economic system and attach prime importance to raising economic results.

In his report, Comrade (Tu He) put forward the basic outlines of the 1984 economic and social development plan. Total industrial and agricultural output value should increase 5 percent. National income should increase 5.7 percent and financial revenue should be 712 million yuan. Investments in fixed assets should be 210.5 billion yuan and the retail sales of commodities should be 7.8 billion yuan. Enrollment in institutions of higher learning should be 1,025 students. Enrollment of secondary vocational schools should reach 13,210 students.

In referring to 1984 economic and social development specific tasks in his report, Comrade (Tu He) said: In order to expedite the reform of the urban economic system, we should promote all forms of the contract responsibility systems. Under the guidance of Document No 1 of the CPC Central Committee and the principle of taking forestry and animal husbandry as the major undertakings while diversifying the economy, we should ensure a stable growth in grain output. We should vigorously plant trees and grass, resolutely develop diversified undertakings, and support the key and specialized households in production. [sentence indistinct] We should readjust the service orientation of the heavy industry and strive to achieve a steady growth in industrial production. The scope of local capital construction should be strictly controlled. We should resolutely concentrate all financial resources on key construction projects in accordance with the state-fixed investment quotas, and ensure smooth progress in expanding production and in improving the livelihood of the people of various nationalities. We should also strengthen intellectual development.

#### SHANXI CONGRESS HEARS STANDING COMMITTEE REPORT

SK050657 Taiyuan SHANXI RIBAO in Chinese 1 May 84 pp 2-3

["Text" of work report by Huo Fan, vice chairman of Shanxi Provincial People's Congress Standing Committee, at the second session of the sixth provincial People's Congress on 25 April 1984]

[Excerpts] Fellow deputies: I, entrusted by the Standing Committee, would like to deliver the report to the session on the work done by the Standing Committee in the period since the first session of the sixth provincial People's Congress.

Since April 1983, the 6th provincial people's congress standing committee, under the direct leadership of the provincial CPC committee, has earnestly implemented the party's line, principles, and policies set forth in the period since the 3d plenary session of the 11th CPC Central Committee, and has actively conducted work to create a new situation in the work of local people's congress standing committees by closely following the grand target set forth by the 12th CPC Congress in regard to quadrupling the annual total industrial and agricultural output value by the end of this century and by following the strategic priorities, steps, and policy decisions set forth for fulfilling the grand target.

In the past year, according to the Constitution and the Organic Law for Local People's Congresses and Governments, the standing committee convened seven meetings, exercised its duty as the local organ of state power, and put forward the province's program of building the two civilizations with its core of building the base of energy resources and heavy chemical industry.

1) At the second meeting, the standing committee heard the report by Ruan Bosheng, chairman of the provincial people's congress standing committee, on relaying the spirit of the First Session of the Sixth NPC, earnestly studied and discussed the documents adopted by the first session, and adopted a resolution on earnestly studying and implementing the spirit of the first session.

2) The standing committee heard and discussed 14 reports, including work reports made by the provincial people's government, by the provincial higher people's court, and by the provincial people's procuratorial office.

3) In local legislation, the standing committee examined and approved two local regulations and rules. To block the arbitrary occupation of farmland and to ensure the smooth progress of building the province's base of energy resources and heavy chemical industry, we approved the "measures" formulated by the provincial people's government on implementing the "regulations" on land requisition for the state's project construction. To save energy resources, protect environment, improve the living conditions of urban people, and promote the building of modern cities, the standing committee approved the temporary "provisions" adopted by Taiyuan City on the management of urban gas supply.

4) In line with the provisions of the Organic Law for Local People's Congresses and Governments, the standing committee approved the personnel changes of the provincial people's government, the provincial higher people's court and local intermediate people's courts, and the provincial people's procuratorate and local procuratorial branch offices.

To meet the need to develop socialist democracy and legal systems and to strengthen the work of the standing committee, the third meeting of the standing committee approved the establishment of the four work committees of politics and law; finance and economy; science, education, culture, public health; and of rural affairs, which are regarded as its administrative bodies.

In line with the provisions of the Organic Law for Local People's Congresses and Governments, chairman and vice chairmen of the standing committee organized a chairmanship council in charge of the routine work of the standing committee. In the past year, the chairmanship council made preparations for the convocation of the standing committee's meetings and guided the work committees and the general office to deal with the petitions lodged by the provincial higher people's court, the provincial people's procuratorate, and by the standing committees of various city and county people's congresses and to correct some localities' and units' law violations, resulting in the enhancement of the standing committee's routine work. The work of the chairmanship council includes the following six aspects:

A. The chairmanship council dealt with the motions offered by deputies, resulting in strengthening the ties between the standing committee and deputies and between the standing committee and the people.

B. The chairmanship council strengthened the work of regularly conducting legal supervisions. In the past year, the standing committee conducted regular supervisions over the legal affairs in the work of the provincial people's government, the provincial higher people's court, the provincial people's procuratorate, and the standing committees of various city and county people's congresses by carrying out work investigations, dealing with the letters from deputies and the people, receiving the visits of deputies and the mass, and by hearing reports and reading documents. It corrected the law violations of some localities and units in conducting organizational reform and in holding the shift-term election of deputies.

C. The chairmanship council organized deputies and members of the provincial people's congress standing committee to carry out inspections and investigations.

D. The chairmanship council guided the shift-term election of deputies at county and township levels. As of now, of 117 counties (cities and districts) throughout the province, 22 have elected their new deputies, 12 have convened their first session of the people's congress, and 59 are in the process of electing their deputies.

E. The chairmanship council strengthened the tie between the standing committee and the standing committees of various city and county people's congresses.

F. The chairmanship council organized local people's congresses to discuss the draft on revising the state law.

In reviewing why the standing committee has better performed its duties over the past year, we have chiefly upheld the following four principles:

1. We have resolutely implemented the central authorities' line, principles, and policies and have firmly depended on the leadership of the provincial CPC Committee.

2. We have given full scope to democracy.

3. We have upheld the principle of doing things according to the law and have asked the NPC Standing Committee for instruction in a timely manner whenever we have encountered ambiguous issues.

4. We have enhanced the work ties between the standing committee and the provincial people's government, between the standing committee and the provincial higher people's court, and between the standing committee and the provincial people's procuratorate.

Over the past year, the standing committee has done a great deal of work. However, we have not done enough in many fields, such as in long-term arrangements and the general plan in formulating local regulations and rules and in not successfully urging the departments concerned to submit their report on decisions on major local events to the standing committee for discussion and approval. Of course, such a state of affairs is caused by the shortage of experience. As compared with the demands set forth by the NPC Standing Committee, we still have gaps in conducting legal supervision, in approving personnel changes, and in conducting the work of dealing with deputies' motions. In line with the first talk recently given by Peng Zhen, chairman of the NPC Standing Committee, the important tasks of the local people's congress standing committees are to develop socialist democracy, to improve socialist legal systems, and to serve the program of building the two civilizations.



Therefore, in conducting its future work, the Standing Committee of the provincial People's Congress should resolutely implement the spirit of the talk given by Chairman Peng Zhen, continuously sum up its experience so as to carry forward its achievements and correct its shortcomings, and should earnestly exercise its power authorized by the provisions of the Constitution and the law so as to enable the Standing Committee work of the provincial People's Congress to serve the party's general task and target and to make new contributions to the program of building the four modernizations.

Please examine and discuss the report I have just delivered.

CHEN WEIDA AT TIANJIN MATERIAL EXHIBITION

SK060656 Tianjin City Service in Mandarin 0030 GMT 6 Jun 84

[Excerpt] To take up the challenge of the new world technological revolution, to promote the research and development of new materials and to popularize and apply the newly developed materials rapidly, the municipal scientific and technological commission sponsored a report exhibition on newly developed materials on 29 May at the Tianjin scientific and technological information station.

On the morning of 5 June, Chen Weida, first secretary of the municipal CPC Committee, Zhang Zaiwang, secretary of the municipal CPC Committee and chairman of the municipal People's Congress Standing Committee, We Zhen, secretary of the municipal CPC Committee and acting mayor, and Yang Jingheng, Liu Zengkun, and He Guomo, Standing Committee members of the municipal CPC Committee, viewed the exhibition.

Comrade Chen Weida happily said: Scientific researchers of the municipality have developed many new materials through hard work. Some of these new materials are of good quality. However, we should not relax our efforts to research and develop more new materials for the municipality.

In the course of viewing the products on display, Comrade Chen Weida inquired about the popularization and application of these products. He said: As for the new materials which have already been developed, priority should be given to their popularization and application so as to put them into production as soon as possible. Efforts should be made to break with various unreasonable regulations that hamper the development of new technologies. We should know how to use economic methods to change the scientific and technological research results to productive forces as soon as possible.

VICE MINISTERS, PROVINCIAL OFFICIALS NAMED

OW071427 Taipei CNA in English 1412 GMT 7 Jun 84

[Text] Taipei, June 7 (CNA) -- President Chiang Ching-kuo Thursday named new political vice ministers to eight ministries and vice chairmen to the Overseas Chinese Affairs Commission [OCAC].

The Executive Yuan appointed them to the new posts at a Thursday meeting after the ruling Kuomintang Wednesday approved their nominations, which had been submitted by Premier K.H. Yu.

The new appointees are: Vice Interior Minister: Cheng Shui-chih (new); Vice Foreign Minister: Ding Mou-shih (incumbent); Vice Defense Minister: Chang Kuo-ying (incumbent); Vice Finance Minister: Lee Hung-ao (new); Vice Education Minister: Juan Ta-nien (new); Vice Justice Minister: Wang Shui-lin (new); Vice Economic Minister: Li Mo (new); Vice Communications Minister: Chu Teng-kao (new); and Vice Chairmen of OCAC: Chu Chak-hay (incumbent), Hsu Ming-hsi (new), and Ko Wen-fo (new).

Meanwhile, President Chiang also assigned new commissioners to the Taiwan Provincial Council and other officials under the Taiwan Provincial Government:

They are:

- Liu Chao-tien, concurrently secretary general of the provincial government (incumbent);
- Chen Meng-lin (incumbent), concurrently commissioner of the Department of Civil Affairs (new);
- Lee How-kau, concurrently commissioner of the Department of Finance (incumbent);
- Lin Ching-chiang, concurrently commissioner of the Department of Education (incumbent);
- Huang Ching-fong, concurrently commissioner of the Department of Reconstruction (new);
- Yu Yu-hsien, concurrently commissioner of the Department Agriculture and Forestry (incumbent);
- Yu Hsueh-hai, Chang Hsien-tung, Liu Yu-you, Hua Chia-chih, Chen Cheng-hsiung, Lin Pao-jen, Cheng Chung-mo, Chen Kuei-miao and Hsieh Hsien-chung (all incumbent); and
- Li Yuan-yuan, Chang Li-tang, Su Chun-hsiung, Ku Teng-mei, Lu Fang-chih and Hu Hui-teh (all new).

PRC TO ESTABLISH NUCLEAR ENERGY SAFETY BUREAU

HK010121 Hong Kong HONG KONG STANDARD in English 31 May 84 p 3

[Currency figures are Hong Kong dollars except where specified]

[Text] China is planning to set up a nuclear energy safety bureau to monitor the operation of the Guangdong nuclear power plant.

The proposal was disclosed yesterday at a press conference by the Vice Minister of Water Resources and Electric Power, Mr Peng Shilu, who said that the bureau would also be responsible for formulating long-term policies regarding safety standards at nuclear plants.

Mr Peng said that the government had worked out initial safety standards for the plants, based on American standards but with some amendments.

Referring to Daya Bay, he said that the contract for construction of the plant by the Joint Guangdong Nuclear Investment Company could be signed officially in two or three months.

Organisation and regulation details for the joint venture had almost been drawn up, but they would have to be examined by the Guangdong and Hong Kong authorities before the contract was signed, probably in July or August, he said.

Mr Peng added that the contract would ensure that the factory cost of nuclear power in Hong Kong in 1991 was lower than for coal-generated electricity.

He said that safety standards for the plant would be clearly specified in the contract, which he described as the most detailed and comprehensive contract yet written by China.

The basic construction of the Daya Bay plant costs about U.S. \$2 billion (\$15.6 billion) and the total investment by 1990 would be around U.S. \$3 billion (\$23.4 billion).

"China and Hong Kong would be responsible for raising U.S. \$2 billion of capital and the balance would be covered by loans," he said.

Mr Peng also revealed that the board of the new joint venture company would consist of 11 members from China and six to eight from Hong Kong.

He said that the joint venture management was negotiating with three French and British companies in Hong Kong over construction contracts, and was likely to sign these contracts within a few months.

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**DATE FILMED**

11 JUNE 1984



